

CONSTITUTION HEIGHTS METROPOLITAN DISTRICT

Special Board Meeting

Wednesday, November 8, 2023– 9:00 AM

614 North Tejon St.

Colorado Springs, CO 80903,

or

Please join my meeting from your computer, tablet or smartphone.

<https://video.cloudoffice.avaya.com/join/372055771>

You can also dial in using your phone.

United States: +1 (213) 463-4500

Access Code: 372-055-771

Board of Director	Title	Term
Robert Fornof	President	May 2027
Terry Schooler	Secretary/Treasurer	May 2027
VACANT	Director	May 2025
VACANT	Director	May 2025
VACANT	Director	May 2025

AGENDA

1. Call to Order/Introductions
2. Approval of Agenda
3. Approval of the Minutes from the Board Meeting on July 26, 2023 (see attached)
4. Public Comment (For items not on the Agenda)
5. Legal Matters
 - a. Review and Consider Approval of the 2023 WSDM Engagement Letter
 - b. Review and Consider Approval of the 2023 Administrative Resolution
6. Financial Report
 - a. Consider Approval of Unaudited Financial Statements dated October 31, 2023 (see attached)
 - b. Ratify Approved Payables through November 8, 2023 (see attached)
 - c. 2022 Budget Amendment Hearing
 - d. 2023 Budget Amendment Hearing
 - e. Budget Hearing for 2024 Budget
 - f. Review and Consider Approval of Resolutions for Approval of 2024 Budget, 2023 Budget Amendment, and 2022 Budget Amendment
7. Adjournment





**MINUTES OF A SPECIAL MEETING
OF THE BOARD OF DIRECTORS OF THE
CONSTITUTION HEIGHTS METROPOLITAN DISTRICT
HELD JULY 26, 2023
AT 9:00 AM**

Pursuant to posted notice, the special meeting of the Board of Directors of the Constitution Heights Metropolitan District was held on Wednesday, July 26, 2023, at 614 N Tejon St., Colorado Springs, CO 80903 and virtually via video teleconference.

In attendance were Directors:

Robert Fornof, President
Terry Schooler, Secretary/Treasurer

Also in attendance were:

Rebecca Harris, WSDM
Kevin Walker, WSDM
Sue Gonzales, WSDM
K. Sean Allen, Esq., White Bear Ankele Tanaka & Waldron

1. Call to Order/Introductions: Ms. Harris called the meeting to order at 9:02 AM and confirmed a quorum was present.
2. Approval of the Agenda: Director Schooler moved to approve the Agenda as written; seconded by President Fornof. Motion passed unanimously.
3. Approval of the Minutes from the Board Meeting on November 8, 2022: After review, Director Schooler moved to approve the November 8, 2022 Minutes; seconded by President Fornof. Motion passed unanimously.
4. Public Comment: There was no public comment.
5. Legal Matters: There were no legal matters.
6. Financial Report
 - a. Review and consider approval of 2022 Audit and Presentation: Ms. Gonzales presented the 2022 Audit. The auditors provided an unqualified opinion which is the highest level of assurance they can provide on the financial statements. She noted the auditors will need to change the financials to reflect the Amended 2022 Budget. The Board reviewed the comment regarding segregation of duties and internal controls. WSDM will arrange access to the bank statements for Board review on a regular basis. After review, moved to approve the 2022 Audit pending changes to the financial statements to include the Amended 2022 Budget; seconded by President Robert Fornof. Motion passed unanimously.

- b. Consider Approval of Unaudited Financial Statements through June 30, 2023: Ms. Harris requested the Board postpone the approval until the next Board meeting due to them not being distributed prior to the meeting.
 - c. Ratify Payables through July 26, 2023: Ms. Harris presented the Payables through July 26, 2023. Director Schooler moved to ratify and approve the payables through July 26, 2023; seconded by President Fornof. Motion passed unanimously.
7. Adjournment: The Board scheduled November 8, 2023 at 9:00 AM for the next Board meeting and Budget Hearing. President Fornof moved to adjourn at 9:17 AM; seconded by Director Schooler. Motion passed unanimously.

Respectfully Submitted,

By: Recording Secretary



RE: 2024 Annual Engagement Letter

This agreement constitutes a Statement of Work (“SOW”) to the Original Service Agreement made by and between WSDM – District Managers and **Constitution Height Metropolitan District** (“the District”). This engagement letters serves as a renewal to the service provided or additional service to be provided as prescribed below.

Management Services

1. Meeting and Reporting Services—WSDM will continue to provide in the following services:
 - (a) Coordinate Board meetings, prepare and distribute meeting agenda. Preparation, filing and posting of legal notices required in conjunction with the meeting.
 - (b) Ensure meeting notices are properly and timely posted.
 - (c) Contact Board members 72 hours prior to a scheduled meeting to ensure a quorum will be present. In the event of a cancelation of a meeting, contact and advise all parties of the cancelation and any changes to the meeting date, time and place, if available.
 - (d) Meeting packets will be distributed by U.S. Mail and/or email, as determined by the Board
 - (e) Prepare for and attend regular and special meetings of the Board.
 - (f) Draft, revise and finalize the minutes of the meeting and circulate for review and comment to ensure all statutory requirements have been met.
 - (g) Prepare and maintain a record of all Board members, consultants and vendors. Direct and oversee all service providers, consultants and employees.
 - (h) Prepare and make annual compliance filings (but not judicial filings) with the various State and County officials, as required. Coordinate review and approval of annual compliance filings with the attorney.
 - (i) Respond to inquiries made by various officials, property owners or consultants in a timely and professional manner.
 - (j) Set up and maintain the official records of the District and service as official custodian for same pursuant to the Colorado Open Records Act.
 - (k) Monitor requirements pertaining to HB 1343 (Illegal Aliens).
 - (l) Insurance administration, including evaluating risks, comparing coverage, process claims, completing applications, monitoring expiration dates, processing routine written and telephone correspondence. Ensure that all District contractors and subcontractors maintain required coverage for the District's benefit. Obtain quotes for insurance annually.

2. Elections—Service as a Designated Election Official for district elections with familiarity with various election laws, including, but not limited to the Special District Act, the Colorado Local Government Election Code, the Uniform Election

Code of 1992, to the extent not in conflict with the Colorado Local Government Election Code, and Article X, § 20 of the Colorado Constitution ("TABOR")

3. Construction Oversight – Extensive construction best management experience. Principals have funded and managed over \$100,000,000 in public infrastructure including roads, water, wastewater, electric, gas, telecommunications, and stormwater facilities.
4. Website Administration – extensive experience with creating and updating District websites, specifically including the State Internet Portal Authority funded sites.
*Different district websites under current management website www.wsdistricts.co
5. Employee management – management of full or part time employees including Operators in Responsible Control (ORC), field and operations employees, administrative employees, part time seasonal employees, Certified Pool Operators, etc. Maintain compliance with Human Resource aspects like; labor statutes, insurance, training, safety, etc. issues. Also, automated payroll services
6. Covenant enforcement and HOA style management – WSDM manages covenant enforcement services as staff and management of Architectural Control Committees including inspections, review of proposed improvements, management of fines, and other enforcement action.

Accounting and bookkeeping

1. Standard Services— Our professional services include the following (with a Certified Public Accountant):
 - (a) Accounting
 1. Prepare monthly, quarterly, and annual financial statements for inclusion in monthly meeting packets.
 2. Reconcile monthly bank statements and trustee statements.
 3. Coordinate bank account setup and maintenance of signature cards.
 4. Prepare and file Continuing Disclosure Notices with the Trustee and other required parties. Coordinate review with legal counsel.
 5. Coordinate capital project draws and requisitions.
 6. Reconcile bonds and other debt service payment obligations for accuracy and timely payments.
 7. Respond to bondholder and other interested parties' requests for financial information.
 8. Review all payments of claim prior to release to ensure funds are available.
 9. Monthly review of all expenditures and coordinate preparation and distribution of same with the manager for the District to prevent exceeding budgeted and appropriated expenditures.
 - (b) Accounts Payable
 1. Receive and review invoices for accuracy and appropriateness for payment. Code the invoices in accordance with the budgeted line item.
 2. Prepare issuance of checks to be presented to the Board for approval and signatures. The claims list should be included in the monthly meeting packets.
 3. Prepare funding requests, if required.
 4. Release checks to vendors when all approvals and funding have been received.

- (c) Accounts Receivable
 - 1. Process deposit of revenues.
 - 2. Process bank charges and other miscellaneous accounts receivable matters.
- (d) Financial Projections
 - 1. Multi-year forecasting.
 - 2. Utility consumption and water rate analysis.
 - 3. Commercial billing analysis and rate structure.
- (e) Budgets
 - 1. Prepare annual budget and budget message for approval by the Board and coordinate with legal counsel for same.
 - 2. Prepare or assist in the preparation of supplemental and/or amended budgets and accompanying documents, if required.
- (f) Audits
 - 1. Obtain proposals for conduct of audit for consideration at budget hearing meeting. Proposals should be included in the meeting packet.
 - 2. Coordinate and participate in audit bids, engagements, fieldwork and audit draft review.
 - 3. Assist the auditor in performing the annual audit, to accomplish timely completion and filing by statutory deadline.
- (g) Bonds
 - 1. Monitor and comply with Bond documents, State Statute, and Auditing requirements
 - 2. Transfer debt obligated funds to correct Reserve Funding accounts as applicable
 - 3. Coordinate principal and interest payments as required by the governing documents.
 - 4. Coordinate with Bond counsel to issue bonds as directed by the Board of Directors
 - 5. Coordinate the proper compliance filing including but not limited to the DLG-30, etc.
- (h) Developer Reimbursements
 - 1. Monitor and comply with Developer Reimbursement agreements and Auditing requirements
 - 2. Coordinate principle and interest payments required by the Reimbursement agreement

Billing and Collection

- 1. Standard Services—WSDM currently utilizes Continental Utility Solutions, Inc. (CUSI) billing software system. This system is compatible with the Automatic Meter Reading (AMR), Badger Beacon systems as well as state of the art integration with direct payment options (Customer Web Portals, ACH, and Credit Card). In addition:
 - (a) Provide resolution of re-reads for meter reads, if necessary.
 - (b) Customize billing system to download meter readings directly into accounting software to allow for automatic updates to customer accounts.
 - (c) Produce and transmit customer invoices to a mailing facility or perform the mailing in house, whichever is more economical.
 - (d) Process and make daily deposits of all receipts mailed directly to the billing company, as necessary.
 - (e) Communicate with customers and transmit Automated Clearing House ("ACH") authorization forms allowing the District to initiate an ACH withdrawal of the customer bill directly from their checking or savings account. Initiate ACH batches using dual controls.
 - (f) Coordinate and provide correspondence regarding terminations, delinquencies, payment plans and shut-off notices in compliance with the District's collection policies

- and in coordination with the District's legal counsel.
- (g) Process payoff requests from title company for closings and set up new ownership information.
- (h) Collect transfer fee due upon the transfer of and account or property.
- (i) Process payment arrangements for customers facing economic hardship at the direction of the Board.
- (j) Process and transmit delinquent notices.
- (k) Process shutoff notices and direct the District's operator to proceed with shutoff.
- (l) Certify delinquent accounts with the County, as applicable, in coordination with the District's legal counsel.
- (m) Coordinate processing of statements of liens with the District's legal counsel, and release of liens as account are paid current.
- (n) Respond to customer calls and inquiries in a timely and professional manner.
- (o) Track tap fee payments.

Customer Service

We will continue to provide phone, email, social media, and text messaging response to customer inquiries, questions, requests for information etc. As well we will continue utilizing our 24-emergency number and work with monitoring of security cameras as needed, etc.

Hourly Rates

Principal	\$ 225.00
Senior Manager	\$ 180.00
Senior Accountant	\$ 190.00
Assistant Manager	\$ 150.00
Bookkeeper	\$ 75.00
Administrative/ Supporting Staff	\$ 50.00

not to exceed contractual limit of **\$2,000/ monthly*

Thank you,



Kevin Walker,
President of WSDM – District Managers

APPROVED AS SIGNED:

Signature

Title

Date



**CONSTITUTION HEIGHTS METROPOLITAN DISTRICT
ANNUAL ADMINISTRATIVE RESOLUTION
(2024)**

WHEREAS, Constitution Heights Metropolitan District (the “**District**”), was organized as a special district pursuant to an Order and Decree of the District Court in and for the County of El Paso, Colorado (the “**County**”); and

WHEREAS, the Board of Directors (the “**Board**”) of the District, has a duty to perform certain obligations in order to assure the efficient operation of the District and hereby directs its consultants to take the following actions.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

1. The Board directs the District’s legal counsel to cause an accurate map of the District’s boundaries to be prepared in accordance with the standards specified by the Division of Local Government (“**Division**”) and to be filed in accordance with §32-1-306, C.R.S.

2. The Board directs the District’s Manager to notify the Board of County Commissioners, the County Assessor, the County Treasurer, the County Clerk and Recorder, the governing body of any municipality in which the District is located, and the Division of the name of the chairman of the Board, the contact person, telephone number and business address of the District, as required by §32-1-104(2), C.R.S.

3. The Board directs the District’s legal counsel to prepare and file with the Division, within thirty (30) days of a written request from the Division, an informational listing of all contracts in effect with other political subdivisions, in accordance with §29-1-205, C.R.S.

4. The Board directs the District’s legal counsel to cause the preparation of and to file with the Department of Local Affairs the annual public securities report for nonrated public securities issued by the District within sixty (60) days of the close of the fiscal year, as required by §§11-58-101, et seq., C.R.S.

5. The Board directs the District’s accountant to: (a) obtain proposals for auditors to be presented to the Board; (b) to cause an audit of the annual financial statements of the District to be prepared and submitted to the Board on or before June 30; and (c) to cause the audit to be filed with the State Auditor by July 31st, or by the filing deadline permitted under any extension thereof, all in accordance with §§29-1-603(1) and 29-1-606, C.R.S. Alternatively, if warranted by §29-1-604, C.R.S., the Board directs the District’s accountant to apply for and obtain an audit exemption from the State Auditor on or before March 31st in accordance with §29-1-604, C.R.S.

6. The Board directs the District’s legal counsel, if the District has authorized, but unissued general obligation debt as of the end of the fiscal year, to cause to be submitted to the Board of County Commissioners or the governing body of the municipality that adopted a resolution of approval of the District, the District’s audit report or a copy of its application for exemption from audit in accordance with §29-1-606(7), C.R.S.

7. The Board directs the District's accountant to submit a proposed budget to the Board by October 15 and prepare the final budget and budget message, including any amendments thereto, if necessary. The Board also directs the District's accountant to perform the property tax limit calculation, if required by §§ 29-1-306, *et seq.*, C.R.S., and to inform the Board of the result of such calculation. The Board directs the District's Manager to schedule a public hearing on the proposed budget or amendments, as applicable, and to post or publish notices thereof. The Board directs legal counsel to prepare all budget resolutions. The Board directs legal counsel to file the budget, budget resolution, and budget message with the Division on or before January 30th, all in accordance with §§ 29-1-101, *et seq.*, C.R.S.

8. The Board directs the District's accountant to monitor all expenditures and, if necessary, to notify the District's legal counsel, the District's Manager, and the Board when expenditures are expected to exceed appropriated amounts. The Board directs legal counsel to prepare all budget amendment resolutions. The Board directs the District's Manager to schedule a public hearing on a proposed budget amendment and post or publish notices thereof in accordance with § 29-1-106, C.R.S. The Board directs legal counsel to file the amended budget with the Division on or before the date of making such expenditure or contracting for such expenditure, all in accordance with §§ 29-1-101, *et seq.*, C.R.S.

9. The Board directs legal counsel to cause the preparation of the Unclaimed Property Act report and submission of the same to the State Treasurer by November 1st if there is property presumed abandoned and subject to custody as unclaimed property, in accordance with §38-13-110, C.R.S.

10. The Board directs the District's accountant to prepare the mill levy certification form and directs legal counsel to file the mill levy certification form with the Board of County Commissioners on or before December 15th, in accordance with §39-5-128, C.R.S.

11. The Board directs that all legal notices shall be published in accordance with §32-1-103(15), C.R.S.

12. The Board determines that each director shall not receive compensation for their services as directors subject to the limitations set forth in §§32-1-902(3)(a)(I) & (II), C.R.S.

13. The District hereby acknowledges, in accordance with §32-1-902, C.R.S., the following officers for the District:

President:	Robert Fornof
Secretary/Treasurer:	Terry Schooler
Recording Secretary:	District Manager

14. The Board hereby determines that each member of the Board shall, for any potential or actual conflicts of interest, complete conflicts of interest disclosures and directs the District Manager to file the conflicts of interest disclosures with the Board and with the Colorado Secretary of State at least seventy-two (72) hours prior to every regular and special meeting of the Board, in accordance with §32-1-902(3)(b) and §18-8-308, C.R.S. Written disclosures provided by Board

members required to be filed with the governing body in accordance with §18-8-308, C.R.S. shall be deemed filed with the Board when filed with the Secretary of State. Additionally, at the beginning of each year, each Board member shall submit information to District Manager regarding any actual or potential conflicts of interest and, throughout the year, each Board member shall provide legal counsel with any revisions, additions, corrections or deletions to said conflicts of interest disclosures.

15. The Board confirms its obligations under §24-10-110(1), C.R.S., with regards to the defense and indemnification of its public employees, which, by definition, includes elected and appointed officers.

16. The Board hereby appoints the District's Manager as the official custodian for the maintenance, care and keeping of all public records of the District, in accordance with §§24-72-202, et seq., C.R.S. The Board hereby directs its legal counsel, accountant, manager and all other consultants to adhere to the Colorado Special District Records Retention Schedule as adopted by the District.

17. The Board directs the District's Manager to post notice of all regular and special meetings in accordance with §32-1-903(2) and §24-6-402(2)(c), C.R.S. The Board hereby designates wsdistricts.co/projects/constitution-heights-metropolitan-district/ as the District's website for the posting of its regular and special meeting notices. The Board also hereby designates, unless otherwise designated by the Board, the two (2) mailbox locations and fence post as the location the District will post notices of meetings in the event of exigent or emergency circumstances which prevent the District from posting notice of the meeting on the District's website. The Board directs the District's Manager to provide the website address set forth above to the Department of Local Affairs for inclusion in the inventory maintained pursuant to §24-32-116, C.R.S.

18. The Board determines to hold regular meetings on the **second Monday of each month, as needed, at 1:00 p.m.** at 614 North Tejon Street, Colorado Springs, Colorado, and by telephone, electronic, or other means not including physical presence.

All notices of meetings shall designate whether such meeting will be held by electronic means, at a physical location, or both, and shall designate how members of the public may attend such meeting, including the conference number or link by which members of the public can attend the meeting electronically, if applicable.

19. The Board determines to hold an annual meeting, pursuant to § 32-1-903(6), on **November 11, 2024** at 1pm by telephone, electronic, or other means not requiring physical presence, subject to change by action of the Board. Notice of the annual meeting shall designate whether such meeting will be held by electronic means, at a physical location, or both, and shall designate how members of the public may attend such meeting, including the conference number or link by which members of the public can attend the meeting electronically, if applicable. The District's Manager shall be responsible for coordinating the required presentations for the annual meeting.

20. In the event of an emergency, the Board may conduct a meeting outside of the limitations prescribed in §24-6-402(2)(c), C.R.S., provided that any actions taken at such emergency meeting are ratified at the next regular meeting of the Board or at a special meeting conducted after proper notice has been given to the public.

21. For the convenience of the electors of the District, and pursuant to its authority set forth in §1-13.5-1101, C.R.S., the Board hereby deems that all regular and special elections of the District shall be conducted as independent mail ballot elections in accordance with §§1-13.5-1101, et seq., C.R.S., unless otherwise deemed necessary and expressed in a separate election resolution adopted by the Board.

22. Pursuant to the authority set forth in §1-1-111, C.R.S., the Board hereby appoints Ashley B. Frisbie, of the law firm of White Bear Ankele Tanaka & Waldron, Attorneys at Law, as the Designated Election Official (the “DEO”) of the District for any elections called by the Board, or called on behalf of the Board by the DEO, and hereby authorizes and directs the DEO to take all actions necessary for the proper conduct of the election, including, if applicable, cancellation of the election in accordance with §1-13.5-513, C.R.S.

23. In accordance with §1-11-103(3), C.R.S., the Board hereby directs the DEO to certify to the Division the results of any elections held by the District and, pursuant to §32-1-1101.5(1), C.R.S., to certify results of any ballot issue election to incur general obligation indebtedness to the Board of County Commissioners or the governing body of the municipality that adopted a resolution of approval of the district and file a copy of such certification with the Division of Securities.

24. The Board directs legal counsel to cause a notice of authorization of or notice to incur general obligation debt to be recorded with the County Clerk and Recorder within thirty (30) days of authorizing or incurring any indebtedness, in accordance with §32-1-1604, C.R.S.

25. Pursuant to the authority set forth in §24-12-103, C.R.S., the Board hereby designates, in addition to any officer of the District, Rose Vallesio of the law firm of White Bear Ankele Tanaka & Waldron, Attorneys at Law, as a person with the power to administer all oaths or affirmations of office and other oaths or affirmations required to be taken by any person upon any lawful occasion.

26. The Board directs legal counsel to cause the preparation of and filing with the Board of County Commissioners or the governing body of the municipality that adopted a resolution of approval of the District, if requested, the application for quinquennial finding of reasonable diligence in accordance with §§32-1-1101.5(1.5) and (2), C.R.S.

27. The Board directs legal counsel to cause the preparation of and the filing with the Board of County Commissioners or the governing body of any municipality in which the District is located, the Division, the State Auditor, the County Clerk and Recorder and any interested parties entitled to notice pursuant to §32-1-204(1), C.R.S., an annual report, if requested, in accordance with §32-1-207(3)(c), C.R.S.

28. The Board directs the District's Manager to obtain proposals and/or renewals for insurance, as applicable, to insure the District against all or any part of the District's liability, in

accordance with §§24-10-115, et seq., C.R.S. The Board directs the District's accountant to pay the annual SDA membership dues, agency fees and insurance premiums, as applicable, in a timely manner. The Board appoints the District's Manager to designate the proxy for the SDA Annual meeting for voting and quorum purposes.

29. The Board hereby opts to include elected or appointed officials as employees within the meaning of §8-40-202(1)(a)(I)(A), C.R.S., and hereby directs the District's Manager to obtain workers' compensation coverage for the District.

30. The Board hereby directs legal counsel to prepare the disclosure notice required by §32-1-809, C.R.S., and to disseminate the information to the electors of the District accordingly. Further, the Board hereby designates the following website as the District's official website for the purposes thereof: wsdistricts.co/projects/constitution-heights-metropolitan-district/

31. The Board hereby directs legal counsel to prepare and record with the County Clerk and Recorder updates to the disclosure statement notice and map required by §32-1-104.8, C.R.S., if additional property is included within the District's boundaries.

32. In accordance with §38-35-109.5(2), C.R.S, the District hereby designates the President of the Board as the official who shall record any instrument conveying title of real property to the District within thirty (30) days of any such conveyance.

33. The Board hereby affirms the adoption of the corporate seal in substantially the form appearing on the signature page of this resolution in accordance with §32-1-902, C.R.S., regardless of whether initially produced electronically or manually. The requirement of any District resolution, proceeding or other document to "affix" the District seal thereto, including for the purpose of satisfying any applicable State law, shall be satisfied by manual impression or print, facsimile reproduction or electronic reproduction or inclusion of the image of such seal. Without limiting the foregoing, any electronic production or reproduction of the image of the seal shall constitute an electronic record of information, as defined in the Uniform Electronic Transactions Act, and the Board hereby authorizes its use in accordance with the authority provided by §24-71.3-118, C.R.S.

34. The Board directs the District's Accountant to prepare and submit the documentation required by any continuing disclosure obligation signed in conjunction with the issuance of debt by the District.

35. The Board directs legal counsel to monitor, and inform the Board of, any legislative changes that may occur throughout the year.

[Remainder of Page Intentionally Left Blank, Signature Page Follows]

ADOPTED NOVEMBER 8TH, 2023.

(SEAL)

DISTRICT:

**CONSTITUTION HEIGHTS
METROPOLITAN DISTRICT**, a quasi-
municipal corporation and political subdivision of
the State of Colorado

By: _____
Officer of the District

Attest:

By: _____

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

General Counsel to the Districts

CERTIFICATION OF RESOLUTION

I hereby certify that the foregoing constitutes a true and correct copy of the resolution of the Board adopted at a meeting held on November 8th, 2023, at 614 N. Tejon St., Colorado Springs, CO, and via teleconference.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 8th day of November, 2023.

Signature

Printed Name



Constitution Heights Metropolitan District

Balance Sheet

11/02/23

As of September 30, 2023

Accrual Basis

	Sep 30, 23
ASSETS	
Current Assets	
Checking/Savings	
PNC Bank	31,947.17
UMB-Bond Fund 2020 153385.1	313,950.60
UMB-Surplus 153385.2	678,399.38
Total Checking/Savings	1,024,297.15
Other Current Assets	
1200 · Property Tax Receivable-Debt	2,038.27
Total Other Current Assets	2,038.27
Total Current Assets	1,026,335.42
TOTAL ASSETS	1,026,335.42
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 · Accounts Payable	5,012.36
Total Accounts Payable	5,012.36
Other Current Liabilities	
Advances-Marksheffel BC	30,000.00
Advances-Sand Creek South	123,500.00
2210 · Deferred Property Tax Rev	2,038.27
Total Other Current Liabilities	155,538.27
Total Current Liabilities	160,550.63
Long Term Liabilities	
2020 Bond	12,335,000.00
Bonds	
Accrued Bond Interest	51,396.00
Total Bonds	51,396.00
2325 · Acc Int-Sand Creed Inv	121,569.44
2326 · Acc Int-Marksheffel Bus Cen Inv	28,622.55
Total Long Term Liabilities	12,536,587.99
Total Liabilities	12,697,138.62
Equity	
30000 · Opening Balance Equity	-9,659,193.00
32000 · Retained Earnings	-2,361,762.22
Net Income	350,152.02
Total Equity	-11,670,803.20
TOTAL LIABILITIES & EQUITY	1,026,335.42

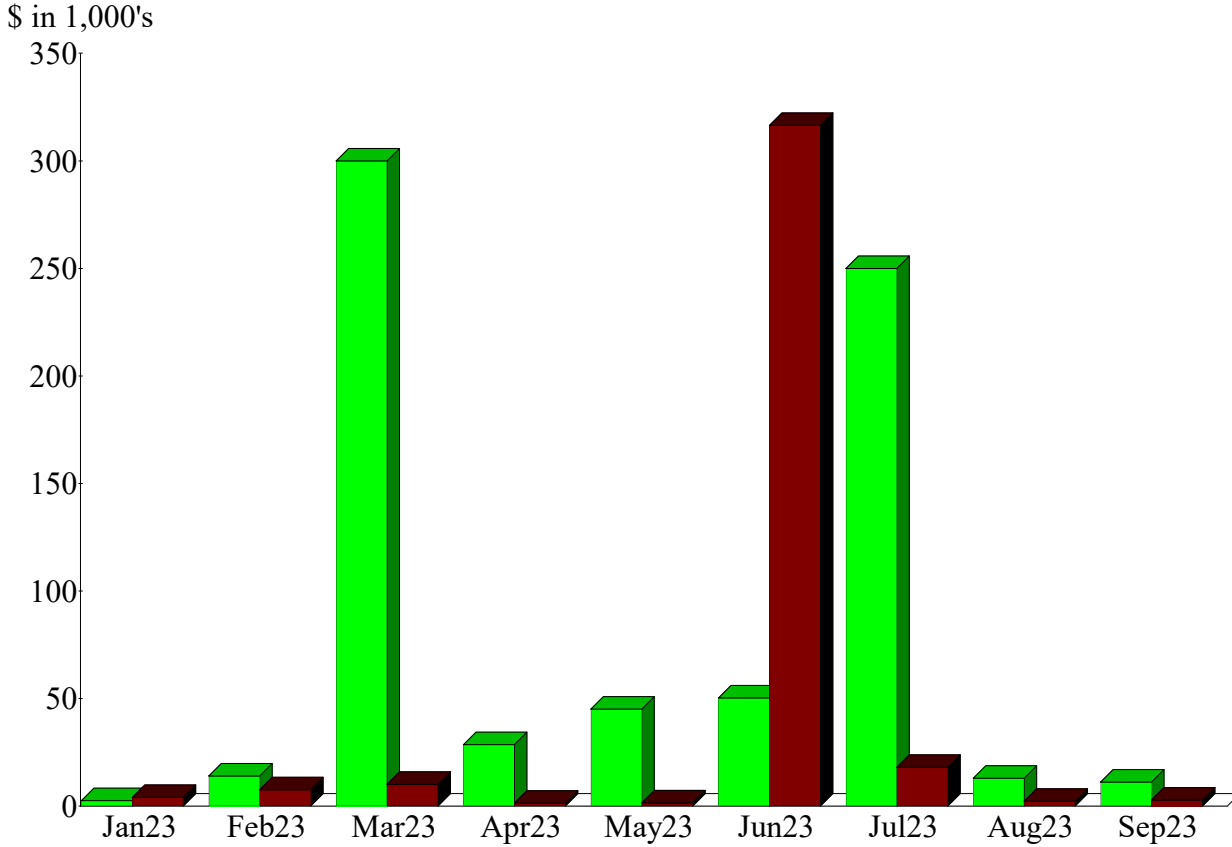
Constitution Heights Metropolitan District

Profit & Loss Budget vs. Actual

January through September 2023

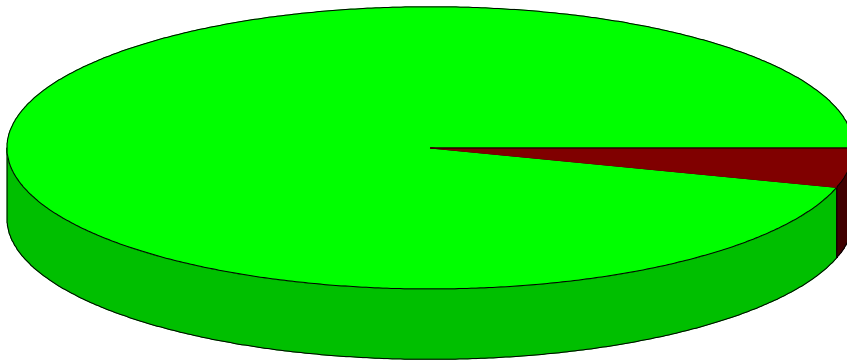
	TOTAL				
	Sep 23	Jan - Sep 23	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense					
Income					
Interest Income					
Bonds	4,279.31	29,685.55			
Interest Income - Other	67.21	1,876.11	5,150.00	-3,273.89	36.43%
Total Interest Income	<u>4,346.52</u>	<u>31,561.66</u>	<u>5,150.00</u>	<u>26,411.66</u>	<u>612.85%</u>
Property Taxes					
Current Year - Debt	379.05	638,891.08	640,929.35	-2,038.27	99.68%
Delinquent Int	11.38	137.72			
Spec Own Tax	6,489.82	44,213.25	44,865.05	-651.80	98.55%
Total Property Taxes	<u>6,880.25</u>	<u>683,242.05</u>	<u>685,794.40</u>	<u>-2,552.35</u>	<u>99.63%</u>
Total Income	<u>11,226.77</u>	<u>714,803.71</u>	<u>690,944.40</u>	<u>23,859.31</u>	<u>103.45%</u>
Expense					
Copies/Printing/Office Supplies	0.00	16.84	1,000.00	-983.16	1.68%
Dues and Subscriptions	0.00	658.31			
Election	0.00	1,371.96	5,000.00	-3,628.04	27.44%
Treasurer's Fee	5.86	9,585.44	9,613.94	-28.50	99.7%
60400 · Bank Service Charges					
Bonds	204.77	1,375.74			
Lender/ Trustee Fee	0.00	4,000.00	4,000.00	0.00	100.0%
60400 · Bank Service Charges - Other	154.37	1,137.65	1,100.00	37.65	103.42%
Total 60400 · Bank Service Charges	<u>359.14</u>	<u>6,513.39</u>	<u>5,100.00</u>	<u>1,413.39</u>	<u>127.71%</u>
63300 · Insurance Expense	0.00	0.00	3,000.00	-3,000.00	0.0%
63400 · Interest Expense	0.00	308,375.00	616,750.00	-308,375.00	50.0%
64500 · Miscellaneous	0.00	0.00	10,000.00	-10,000.00	0.0%
66700 · Professional Fees					
Accounting/ Audit	0.00	9,325.00	9,200.00	125.00	101.36%
Legal	0.00	6,256.31	5,000.00	1,256.31	125.13%
Management	2,506.18	22,549.44	30,000.00	-7,450.56	75.17%
Total 66700 · Professional Fees	<u>2,506.18</u>	<u>38,130.75</u>	<u>44,200.00</u>	<u>-6,069.25</u>	<u>86.27%</u>
Total Expense	<u>2,871.18</u>	<u>364,651.69</u>	<u>694,663.94</u>	<u>-330,012.25</u>	<u>52.49%</u>
Net Ordinary Income	<u>8,355.59</u>	<u>350,152.02</u>	<u>-3,719.54</u>	<u>353,871.56</u>	<u>-9,413.85%</u>
Net Income	<u><u>8,355.59</u></u>	<u><u>350,152.02</u></u>	<u><u>-3,719.54</u></u>	<u><u>353,871.56</u></u>	<u><u>-9,413.85%</u></u>

Income and Expense by Month
January through September 2023



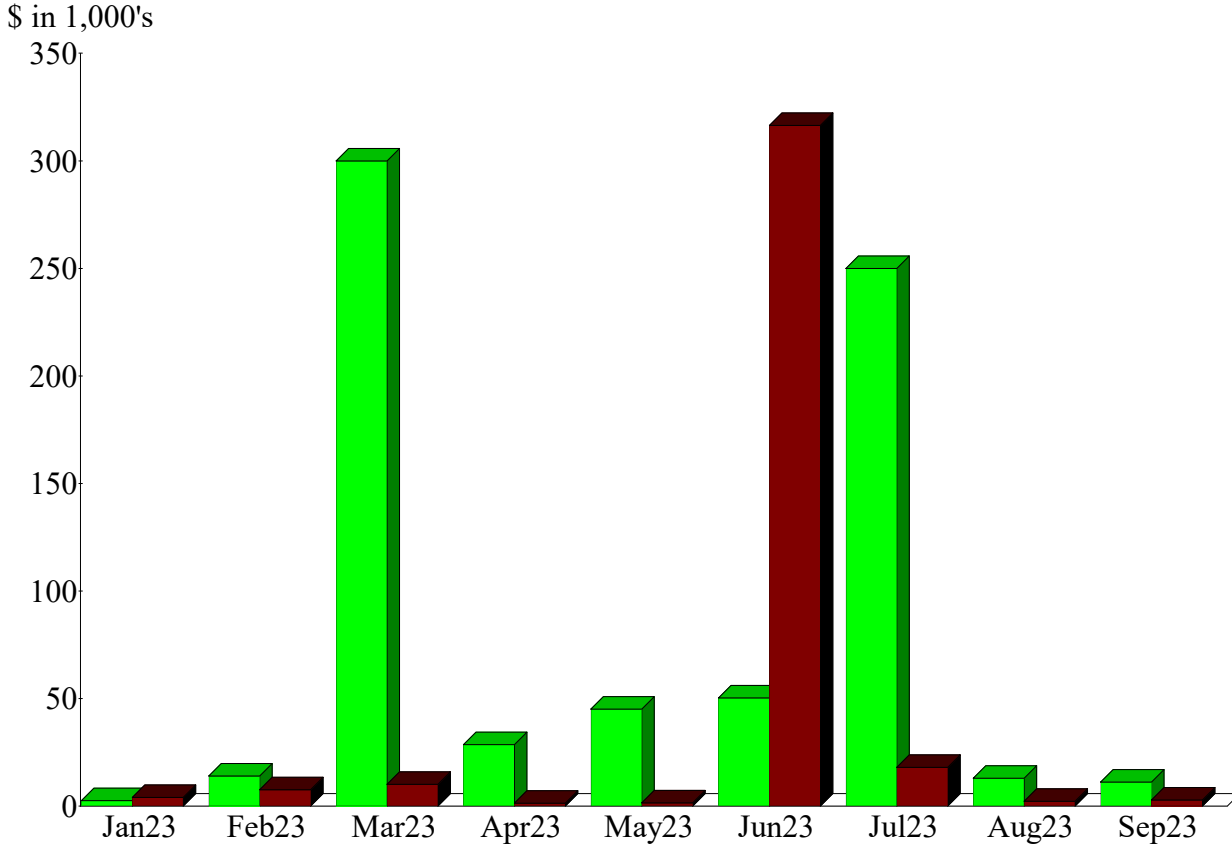
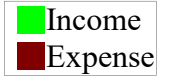
Income Summary
January through September 2023

Property Taxes	95.58%
Interest Income	4.42
Total	\$714,803.71



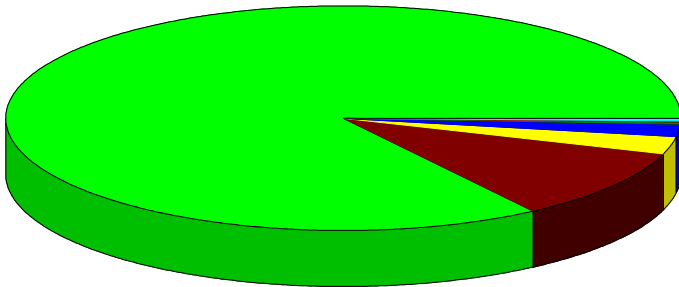
By Account

Income and Expense by Month
January through September 2023



Expense Summary
January through September 2023

63400 · Interest Expense	84.57%
66700 · Professional Fees	10.46
Treasurer's Fee	2.63
60400 · Bank Service Charges	1.79
Election	0.38
Dues and Subscriptions	0.18
Copies/Printing/Office Supplies	0.01
Total	\$364,651.69



By Account



Constitution Heights Metropolitan District
PAYMENT REQUEST
 10/19/2023
GENERAL FUND ACCOUNT

Company	Invoice	Date	Amount
WSDM District Managers	7644	8/31/2023	\$ 2,506.18
WSDM District Managers	7683	9/30/2023	\$ 2,506.18
TOTAL			\$ 5,012.36

BOND FUND ACCOUNT

Company	Date	Amount	Comments
Transfer El Paso County Taxes	10/10/2023	\$ 1,087.02	Aug. & Sept. 2023
TOTAL		\$ 1,087.02	



Constitution Heights Board of Director

Total Pay Out Funds: \$ 6,099.38

PNC Bank	\$ 34,272.59
8/21 Draw	\$ (6,099.38)
PNC bank balance after draw	<u>\$ 28,173.21</u>



**CONSTITUTION HEIGHTS METROPOLITAN DISTRICT
RESOLUTION TO AMEND 2023 BUDGET**

WHEREAS, the Board of Directors of Constitution Heights Metropolitan District (the “District”) certifies that at a regular meeting of the Board of Directors of the District held date of meeting, a public hearing was held regarding the 2023 amended budget, and, subsequent thereto, the following Resolution was adopted by affirmative vote of a majority of the Board of Directors:

WHEREAS, the Board of Directors of the District adopted a budget and appropriated funds for fiscal year 2023 as follows:

General Fund	\$ _____
Debt Service Fund	\$ _____

and;

WHEREAS, the necessity has arisen for additional expenditures by the District due to additional costs which could not have been reasonably anticipated at the time of adoption of the budget, requiring the expenditure of funds in excess of those appropriated for fiscal year 2023; and

WHEREAS, funds are available for such expenditure.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the District does hereby amend the adopted budget for fiscal year 2023 as follows:

General Fund	\$ _____
Debt Service Fund	\$ _____

BE IT FURTHER RESOLVED, that such sums are hereby appropriated from the revenues of the District to the funds named above for the purpose stated, and that any ending fund balances shall be reserved for purposes of complying with Article X, Section 20 of the Colorado Constitution.

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ADOPTED NOVEMBER 8, 2023.

DISTRICT:

**CONSTITUTION HEIGHTS
METROPOLITAN DISTRICT**, a quasi-
municipal corporation and political subdivision of
the State of Colorado

By: _____
Officer of the District

Attest:

By: _____

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

General Counsel to the District

STATE OF COLORADO
COUNTY OF EL PASO
CONSTITUTION HEIGHTS METROPOLITAN DISTRICT

I hereby certify that the foregoing resolution constitutes a true and correct copy of the record of proceedings of the Board adopted at a meeting held via teleconference on November 8, 2023, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 8th day of November, 2023.



RESOLUTION
ADOPTING BUDGET, APPROPRIATING FUNDS AND CERTIFYING MILL LEVIES
FOR THE CALENDAR YEAR 2024

The Board of Directors of Constitution Heights Metropolitan District (the “**Board**”), El Paso County, Colorado (the “**District**”), held a regular meeting, via teleconference on November 8, 2023, at the hour of 9:00 AM.

Prior to the meeting, each of the directors was notified of the date, time and place of the budget meeting and the purpose for which it was called and a notice of the meeting was posted or published in accordance with §29-1-106, C.R.S.

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NOTICE AS TO PROPOSED 2024 BUDGET

WHEREAS, the Board has designated its legal counsel to prepare and submit a proposed budget to the Board in accordance with Colorado law; and

WHEREAS, the proposed budget has been submitted to the Board for its review and consideration; and

WHEREAS, upon due and proper notice, provided in accordance with Colorado law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held and interested electors were given the opportunity to register their protest to the proposed budget prior to the adoption of the budget by the Board.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

Section 1. Adoption of Budget. The budget attached hereto and incorporated herein is approved and adopted as the budget of the District for fiscal year 2024. In the event of recertification of values by the County Assessor's Office after the date of adoption hereof, staff is hereby directed to modify and/or adjust the budget and certification to reflect the recertification without the need for additional Board authorization. Any such modification to the budget or certification as contemplated by this Section 1 shall be deemed ratified by the Board.

Section 2. Levy for General Operating Expenses. For the purpose of meeting all general operating expenses of the District during the 2024 budget year, there is hereby levied a tax of ____ . ____ mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 3. Levy for Debt Service Obligations. For the purposes of meeting all debt service obligations of the District during the 2024 budget year, there is hereby levied a tax of ____ . ____ mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 4. Levy for Contractual Obligation Expenses. For the purposes of meeting all contractual obligations of the District during the 2024 budget year, there is hereby levied a tax of

0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 5. Levy for Capital Project Expenses. For the purposes of meeting all capital project obligations of the District during the 2024 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 6. Mill Levy Adjustment. When developing the attached budget, consideration was given to any changes in the method of calculating assessed valuation, including any changes to the assessment ratios, or any constitutionally mandated tax credit, cut or abatement, as authorized in the District's service plan. The Board hereby determines in good faith (such determination to be binding and final), that to the extent possible, the adjustments to the mill levies made to account for changes in Colorado law described in the prior sentence, and the actual tax revenues generated by the mill levies, are neither diminished nor enhanced as a result of those changes.

Section 7. Certification to County Commissioners. The Board directs its legal counsel, manager, accountant or other designee to certify to the Board of County Commissioners of El Paso County, Colorado the mill levies for the District as set forth herein. Such certification shall be in compliance with the requirements of Colorado law.

Section 8. Appropriations. The amounts set forth as expenditures in the budget attached hereto are hereby appropriated.

Section 9. Filing of Budget and Budget Message. The Board hereby directs its legal counsel, manager or other designee to file a certified copy of the adopted budget resolution, the budget and budget message with the Division of Local Government by January 30 of the ensuing year.

Section 10. Budget Certification. The budget shall be certified by a member of the District, or a person appointed by the District, and made a part of the public records of the District.

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ADOPTED NOVEMBER 8TH, 2023.

DISTRICT:

**CONSTITUTION HEIGHTS
METROPOLITAN DISTRICT**, a quasi-
municipal corporation and political subdivision of
the State of Colorado

By: _____
Officer of the District

Attest:

By: _____

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

General Counsel to the District

STATE OF COLORADO
COUNTY OF EL PASO
CONSTITUTION HEIGHTS METROPOLITAN DISTRICT

I hereby certify that the foregoing resolution constitutes a true and correct copy of the record of proceedings of the Board adopted by a majority of the Board at a District meeting held via teleconference on November 8th, 2023, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 8th day of November, 2023.

EXHIBIT A
BUDGET DOCUMENT
BUDGET MESSAGE

**CONSTITUTION HEIGHTS METROPOLITAN DISTRICT
2023 AMENDED AND 2024 BUDGET
GENERAL FUND**

	2022 ACTUAL	2023 ACTUAL 9/26/2023	2023 AMEND/PROJ	2023 BUDGET	2024 BUDGET	2024 H.H
GENERAL FUND	\$ (10,013)	\$ 2,728	\$ 2,727.51	\$ 2,728	\$ 69,376	\$ 69,376
REVENUES						
PROPERTY TAX						
SPECIFIC OWNERSHIP TAX	\$ 59,894	\$ 44,213	\$ 47,000.00	\$ 44,865	\$ 64,909	\$ 58,418
TRANSFER IN FROM BOND PROCEEDS		\$ 17,648	\$ 17,648.00		\$ -	\$ -
INTEREST INCOME	\$ -	\$ 1,876	\$ 2,000.00	\$ 150	\$ 2,000	\$ 2,000
TOTAL REVENUES	\$ 59,894	\$ 63,737	\$ 66,648	\$ 45,015	\$ 66,909	\$ 60,418
TOTAL REVENUES AND BEGINNING BALANCE	\$ 49,881	\$ 66,465	\$ 69,376	\$ 47,743	\$ 136,284	\$ 129,794
EXPENDITURES						
AUDIT	\$ 8,825	\$ 9,325	\$ 9,325.00	-	\$ 10,000	\$ 10,000
BANK CHARGES	\$ 944	\$ 1,138	\$ 1,300.00	\$ 1,000	\$ 1,500	\$ 1,500
DISTRICT MANAGEMENT	\$ 26,402	\$ 17,537	\$ 30,000.00	\$ 30,000	\$ 24,000	\$ 24,000
DUES & SUBSCRIPTIONS	\$ 655	\$ 658	-	-	-	-
ELECTION	\$ 1,446	\$ 1,372	\$ 1,372.00	\$ 5,000	-	-
INSURANCE	\$ 2,436	-	\$ 3,000.00	\$ 3,000	\$ 3,000	\$ 3,000
SUPPLIES/ POSTAGE/PUBLISHING	\$ 209	\$ 17	\$ 17.00	\$ 1,000	\$ 1,000	\$ 1,000
CONTINGENCY	\$ -	-	-	\$ 5,000	-	-
LEGAL	\$ 6,237	\$ 6,256	\$ 6,256.00	\$ 5,000	\$ 5,000	\$ 5,000
TRANSFER TO DEBT SERVICE FUND	\$ -	-	-	-	-	-
TOTAL EXPENDITURES	\$ 47,154	\$ 36,303	\$ 51,270	\$ 50,000	\$ 44,500	\$ 44,500
GENERAL FUND: ENDING BALANCE	\$ 2,728	\$ 66,465	\$ 69,376	\$ (2,257)	\$ 136,284	\$ 129,794
EMERGENCY RESERVE: State Required at 3%	\$ 1,415	\$ 1,089	\$ 1,538	\$ 1,500	\$ 1,335	\$ 1,335

**CONSTITUTION HEIGHTS METROPOLITAN DISTRICT
2023 AMENDED AND 2024 BUDGET
DEBT SERVICE FUND**

	2022 ACTUAL	2023 ACTUAL 9/26/2023	2023 AMEND/PROJ	2023 BUDGET	2024 BUDGET	2024 H.H
DEBT SERVICE FUND	\$ 705,412	\$ 666,406	\$ 666,405.83	\$ 641,555	\$ 707,843	\$ 707,843
REVENUES						
PROPERTY TAXES	\$ 576,030	\$ 638,891	\$ 640,929	\$ 640,929	\$ 927,271	\$ 834,543.75
DELINQUENT INTEREST	\$ 468	\$ 138	\$ 138	-	-	-
PRIOR YEAR - DEBTR			-	-	-	-
TRANSFER FROM GENERAL FUND	\$ -	-	-	-	-	-
INTEREST INCOME	\$ 14,583	\$ 29,686	\$ 31,000	\$ 5,000	\$ 30,000	\$ 30,000.00
TOTAL REVENUES	\$ 591,081	\$ 668,715	\$ 672,067	\$ 645,929	\$ 957,271	\$ 864,543.75
TOTAL REVENUES AND BEGINNING BALANCE	\$ 1,296,493	\$ 1,335,121	\$ 1,338,473	\$ 1,287,484	\$ 1,665,114	\$ 1,572,387
EXPENDITURES						
AUDIT	\$ -	-	-	\$ 9,200	-	-
BOND PRINCIPAL	\$ -	-	-	-	\$ 55,000	\$ 55,000.00
BOND INTEREST	\$ 616,750	\$ 308,375	\$ 616,750	\$ 616,750	\$ 616,750	\$ 616,750.00
TREASURER'S FEE	\$ 8,647	\$ 9,580	\$ 9,580	\$ 9,614	\$ 13,909	\$ 12,518.16
BANK CHARGES	\$ 4,690	\$ 172	\$ 300	\$ 100	\$ 100	\$ 100.00
LENDER'S FEE	\$ -	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000.00
MISCELLANEOUS	\$ -	-	-	\$ 5,000	-	-
TOTAL EXPENDITURES	\$ 630,087	\$ 322,127	\$ 630,630.00	\$ 644,664	\$ 689,759.06	\$ 688,368.16
DEBT SERVICE FUND: ENDING BALANCE	\$ 666,406	\$ 1,012,994	\$ 707,842.83	\$ 642,820	\$ 975,354.60	\$ 884,018.42
ASSESSED VALUATION	\$ 20,698,160	\$ 23,030,160	\$ 23,030,160	\$ 23,030,160	\$ 33,319,110	\$ 29,987,199.00
MILL LEVY	27.830	27.830	27.830	27.830	27.830	27.830

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