

**JOINT SPECIAL MEETING**  
**HARVEST CROSSING METROPOLITAN DISTRICT NOS. 3 AND 4**  
(Formerly known as Villages at Murphy Creek Metropolitan District Nos. 1 and 2)  
("District No. 3", "District No. 4", and collectively the "Districts")

141 Union Boulevard, Suite 150  
Lakewood, Colorado 80228  
Tel: 303-987-0835  
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**NOTICE OF SPECIAL MEETING AND AGENDA**

<u>Board of Directors District No. 3:</u>	<u>Office:</u>	<u>Term/Expiration:</u>
Daniel Frank	President	2025/May 2025
Marc L. Cooper	Treasurer	2025/May 2025
Richard Frank	Assistant Secretary	2025/May 2025
<b>VACANT</b>		2023/May 2023
<b>VACANT</b>		2023/May 2023
David Solin	Secretary	

<u>Board of Directors District No. 4:</u>	<u>Office:</u>	<u>Term/Expiration:</u>
Daniel Frank	President	2025/May 2025
Marc L. Cooper	Treasurer	2025/May 2025
Richard Frank	Assistant Secretary	2025/May 2025
<b>VACANT</b>		2023/May 2023
<b>VACANT</b>		2023/May 2023
David Solin	Secretary	

DATE: June 29, 2022  
TIME: 1:00 p.m.  
PLACE: Conference Call

**Phone:** 1 (669) 900-6833  
**Meeting ID:** 546 911 9353  
**Password:** 912873

I. PUBLIC COMMENT

- A. Members of the public may express their views to the Board on matters that affect the District that are otherwise not on the agenda. Comments will be limited to three (3) minutes per person.
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II. ADMINISTRATIVE MATTERS

- A. Present disclosures of potential conflicts of interest and confirm quorum.
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- B. Approve agenda; confirm location of meeting and posting of meeting notice.
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III. CONSENT AGENDA – These items are considered to be routine and will be approved and/or ratified by one motion. There will be no separate discussion of these items unless a Board Member so requests, in which event, the item will be removed from the Consent Agenda and considered on the Regular Agenda.

- Approve the Minutes from the January 24, 2022 and May 24, 2022 Special Meetings (**District No. 3**) (enclosures).
- Approve the Minutes from the January 24, 2022, April 19, 2022 and May 24, 2022 Special Meetings (**District No. 4**) (enclosures).
- Ratify approval of Service Agreement with Independent District Engineering Services (“IDES”) for Cost Verification Services.

IV. FINANCIAL MATTERS

A. Review and ratify approval of the payment of claims as follows (**District No. 3**) (enclosures):

Fund	Period Ending Jan. 31, 2022	Period Ending Feb. 28, 2022	Period Ending March 31, 2022	Period Ending April 30, 2022
General	\$ 19,535.66	\$ 3,530.04	\$ 9,011.93	\$ 4,071.80
Debt	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital	\$ -0-	\$ -0-	\$ -0-	\$ -0-
<b>Total</b>	<b>\$ 19,535.66</b>	<b>\$ 3,530.04</b>	<b>\$ 9,011.93</b>	<b>\$ 4,071.80</b>

Fund	Special Payment April 27, 2022	Period Ending May 31, 2022	Period Ending June 30, 2022
General	\$ 1,726.00	\$ 8,386.37	\$ 10,686.39
Debt	\$ -0-	\$ -0-	\$ -0-
Capital	\$ -0-	\$ -0-	\$ -0-
<b>Total</b>	<b>\$ 1,726.00</b>	<b>\$ 8,386.37</b>	<b>\$ 10,686.39</b>

B. Review and accept unaudited financial statements through the period ending March 31, 2022 (**District No. 3**) (enclosure).

C. Review and consider approval of 2021 Audit and authorize execution of Representations Letter (**District No. 3**) (draft audit – to be distributed).

D. Ratify approval of the preparation, execution and filing of the Application for Exemption from Audit for 2021 (**District No. 4**) (enclosure - copy of application).

- E. Review and consider approval of Cost Verification Report No. 3 prepared by Independent District Engineering Services, LLC, verifying costs associated with the reimbursement from bond proceeds in the amount of \$\_\_\_\_\_ (to be distributed).
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- F. Discuss and consider approval of Requisition No. 2 from the Project Fund for payment of Certified Costs.
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- G. Discuss and consider adoption of Resolution Regarding the Imposition of System Development Fees (**District No. 4**) (to be distributed).
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- H. Discuss status of additional bonds issuance.
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V. LEGAL MATTERS

- A. Discuss regional improvements and participation in Regional Infrastructure Authority. (**District Nos. 3 and 4**)
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- B. Review and consider approval of Revenue Pledge Agreement from Harvest Crossing MD No. 3 to Harvest Crossing MD No. 4 (**District Nos. 3 and 4**) (enclosure).
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VI. OTHER BUSINESS

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- VII. ADJOURNMENT **THE NEXT REGULAR MEETING IS SCHEDULED FOR NOVEMBER 14, 2022 ~ BUDGET HEARING.**

# RECORD OF PROCEEDINGS

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## MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE HARVEST CROSSING METROPOLITAN DISTRICT NO. 3 HELD JANUARY 24, 2022

A special meeting of the Board of Directors (the “Board”) of the Harvest Crossing Metropolitan District No. 3 (formerly known as Villages at Murphy Creek Metropolitan District No. 2 (referred to hereafter as the “District”) was convened on Monday, January 24, 2022 at 3:30 p.m. This District meeting was held by conference call without any individuals (neither District representatives nor the general public) attending in person. The meeting was open to the public via conference call.

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### ATTENDANCE

#### Directors In Attendance Were:

Daniel Frank  
Richard Frank

Following discussion, upon motion duly made by Director R. Frank, seconded by Director D. Frank and, upon vote, unanimously carried, the absence of Director Cooper was excused.

#### Also In Attendance Were:

David Solin; Special District Management Services, Inc.

Paula Williams, Esq. and Tim O’Connor, Esq.; McGeady Becher P.C.

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### 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 disclose any potential conflicts of interest with regard to any matters scheduled for discussion at the meeting, and incorporated for the record those applicable disclosures made by the Board members prior to the meeting in accordance with the statute. No additional conflicts were disclosed.

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### PUBLIC COMMENT

There were no public comments.

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## RECORD OF PROCEEDINGS

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### ADMINISTRATIVE MATTERS

**Agenda:** Mr. Solin reviewed a proposed Agenda for the District's Special Meeting with the Board.

Following discussion, upon motion duly made by Director R. Frank, seconded by Director D. Frank and, upon vote, unanimously carried, the Agenda for the Special Meeting was approved, as amended.

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

Following discussion, upon motion duly made by Director R. Frank, seconded by Director D. Frank and, upon vote, unanimously carried, the Board determined that the District meeting was held by conference call. The Board further noted that notice of the time, date and conference bridge information was duly posted and that they have not received any objections, or any requests that the means of hosting the meeting be changed by taxpaying electors within the boundaries of the District.

**Consent Agenda:** The Board considered the following actions:

- Ratify approval of Service Agreement with Independent District Engineering Services ("IDES") for Cost Verification Services.

Following discussion, upon motion duly made by Director D. Frank, seconded by Director R. Frank and, upon vote, unanimously carried, the Board ratified and/or approved, as appropriate, the Consent Agenda items.

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### FINANCIAL MATTERS

**Cost Verification Report No. 1:** The Board reviewed Cost Verification Report No. 1 dated January 14, 2022, prepared by Independent District Engineering Services, LLC, verifying costs associated with the reimbursement from bond proceeds in the amount of \$186,716.89.

Following discussion, upon motion duly made by Director D. Frank, seconded by Director R. Frank and, upon vote, unanimously carried, the Board approved Cost Verification Report No. 1 dated January 14, 2022, prepared by Independent District Engineering Services, LLC, verifying the costs associated with the reimbursement from bond proceeds in the amount of \$186,716.89.

**Cost Verification Report No. 2:** The Board reviewed Cost Verification Report No. 2 dated January 17, 2022, prepared by Independent District Engineering Services, LLC, verifying costs associated with the reimbursement from bond proceeds in the amount of \$48,948.09.

## RECORD OF PROCEEDINGS

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Following discussion, upon motion duly made by Director D. Frank, seconded by Director R. Frank and, upon vote, unanimously carried, the Board approved Cost Verification Report No. 2 dated January 17, 2022, prepared by Independent District Engineering Services, LLC, verifying the costs associated with the reimbursement from bond proceeds in the amount of \$48,948.09.

**Requisition No. 1:** The Board entered into discussion regarding Requisition No. 1 from the Project Fund for payment of Certified Costs.

Following discussion, upon motion duly made by Director D. Frank, seconded by Director R. Frank and, upon vote, unanimously carried, the Board approved Requisition No. 1 from the Project Fund for payment of Certified Costs, in the amount of \$235,664.98.

**Potential inclusions:** The Board entered into discussion regarding potential inclusions. No action was taken by the Board.

**LEGAL  
MATTERS**

**Regional Improvements and Participation in Regional Infrastructure Authority:** The Board deferred discussion.

**OTHER MATTERS**

None.

**ADJOURNMENT**

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

Respectfully submitted,

By: \_\_\_\_\_  
Secretary for the Meetings

## RECORD OF PROCEEDINGS

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### MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE HARVEST CROSSING METROPOLITAN DISTRICT NO. 3 HELD MAY 24, 2022

A Special Meeting of the Board of Directors (the “Board”) of the Harvest Crossing Metropolitan District No. 3 (formerly known as Villages at Murphy Creek Metropolitan District No. 1, referred to hereafter as the “District”) was convened on Tuesday, May 24, 2022 at 3:00 p.m. This District meeting was held at the offices of McGeady Becher P.C., 450 E. 17th Avenue, Suite 400, Denver, Colorado 80203 and by conference call. The meeting was open to the public via conference call.

#### ATTENDANCE

#### Directors In Attendance Were:

Daniel Frank  
Marc L. Cooper  
Richard Frank

#### Also In Attendance Were:

David Solin; Special District Management Services, Inc.

Paula Williams, Esq. and Tim O’Connor, Esq.; McGeady Becher P.C.

Jason Simmons; Hilltop Securities Inc.

Sam Hartman; D.A. Davidson & Co.

Kristine Lay Esq., Kutak Rock LLP

#### 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 disclose any potential conflicts of interest with regard to any matters scheduled for discussion at the meeting, and incorporated for the record those applicable disclosures made by the Board members prior to the meeting in accordance with the statute. No additional conflicts were disclosed.

## RECORD OF PROCEEDINGS

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**PUBLIC COMMENT**     There were no public comments.

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**ADMINISTRATIVE  
MATTERS**

**May 3, 2022 Election:** Mr. Solin advised the Board that the May 3, 2022 election was cancelled, as allowed under Colorado law, by the Designated Election Official because there were no more candidates than positions available on the Board of Directors. It was noted that Directors D. Frank, R. Frank and Cooper were each deemed elected to 3-year terms ending in May, 2025.

**Appointment of Officers:** The Board entered into discussion regarding the appointment of officers.

Following discussion, upon motion duly made by Director D. Frank, seconded by Director R. Frank and, upon vote, unanimously carried, the following slate of officers was appointed:

President	Daniel Frank
Treasurer	Marc L. Cooper
Secretary	David Solin
Assistant Secretary	Richard Frank

**Agenda:** Mr. Solin reviewed a proposed Agenda for the District’s Special Meeting with the Board.

Following discussion, upon motion duly made by Director R. Frank, seconded by Director D. Frank and, upon vote, unanimously carried, the Agenda for the Special Meeting was approved, as amended.

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

Following discussion, upon motion duly made by Director R. Frank, seconded by Director D. Frank and, upon vote, unanimously carried, the Board determined that the District meeting was held by conference call and in person at the offices of McGeady Becher P.C. The Board further noted that notice of the time, date, location and conference bridge information was duly posted and that they have not received any objections, or any requests that the means of hosting the meeting be changed by taxpaying electors within the boundaries of the District.

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**CONSENT AGENDA**     **Consent Agenda:** There were no consent agenda items to discuss.

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## RECORD OF PROCEEDINGS

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### FINANCIAL MATTERS

There were no financial matters to discuss.

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### LEGAL MATTERS

**Resolution authorizing the Execution and Delivery by the District of a Revenue Pledge Agreement with Harvest Crossing Metropolitan District No. 4 and UMB Bank, N.A. as Trustee, for the Purpose of Securing Repayment of District No. 4's Limited Tax General Obligation Bonds, Series 2022A(3) (the "Bonds") in a Maximum Aggregate Principal Amount of up to \$16,500,000:**

Attorney Lay discussed the Resolution authorizing the execution and delivery by the District of the Revenue Pledge Agreement with Harvest Crossing Metropolitan District No. 4 and UMB Bank, N.A., as Trustee; the execution and delivery by the District thereof, and of certain other related documents in connection therewith; authorizing incidental action; and repealing prior inconsistent actions with the Board.

Following discussion, upon motion duly made by Director R. Frank, seconded by Director D. Frank and, upon vote, unanimously carried, the Board adopted the Resolution authorizing the execution and delivery by the District of the Revenue Pledge Agreement with Harvest Crossing Metropolitan District No. 4 and UMB Bank, N.A., as Trustee; the execution and delivery by the District thereof, and of certain other related documents in connection therewith; authorizing incidental action; and repealing prior inconsistent actions.

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### OTHER MATTERS

There were no other matters to discuss.

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### ADJOURNMENT

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

Respectfully submitted,

By: \_\_\_\_\_  
Secretary for the Meeting

# RECORD OF PROCEEDINGS

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## MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE HARVEST CROSSING METROPOLITAN DISTRICT NO. 4 HELD JANUARY 24, 2022

A special meeting of the Board of Directors (the “Board”) of the Harvest Crossing Metropolitan District No. 4 (formerly known as Villages at Murphy Creek Metropolitan District No. 2 (referred to hereafter as the “District”) was convened on Monday, January 24, 2022 at 3:30 p.m. This District meeting was held by conference call without any individuals (neither District representatives nor the general public) attending in person. The meeting was open to the public via conference call.

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### ATTENDANCE

#### Directors In Attendance Were:

Daniel Frank  
Richard Frank

Following discussion, upon motion duly made by Director R. Frank, seconded by Director D. Frank and, upon vote, unanimously carried, the absence of Director Cooper was excused.

#### Also In Attendance Were:

David Solin; Special District Management Services, Inc.

Paula Williams, Esq. and Tim O’Connor, Esq.; McGeady Becher P.C.

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### 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 disclose any potential conflicts of interest with regard to any matters scheduled for discussion at the meeting, and incorporated for the record those applicable disclosures made by the Board members prior to the meeting in accordance with the statute. No additional conflicts were disclosed.

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### PUBLIC COMMENT

There were no public comments.

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## RECORD OF PROCEEDINGS

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### ADMINISTRATIVE MATTERS

**Agenda:** Mr. Solin reviewed a proposed Agenda for the District's Special Meeting with the Board.

Following discussion, upon motion duly made by Director R. Frank, seconded by Director D. Frank and, upon vote, unanimously carried, the Agenda for the Special Meeting was approved, as amended.

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

Following discussion, upon motion duly made by Director R. Frank, seconded by Director D. Frank and, upon vote, unanimously carried, the Board determined that the District meeting was held by conference call. The Board further noted that notice of the time, date and conference bridge information was duly posted and that they have not received any objections, or any requests that the means of hosting the meeting be changed by taxpaying electors within the boundaries of the District.

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### FINANCIAL MATTERS

**Potential inclusions:** The Board entered into discussion regarding potential inclusions. No action was taken by the Board.

**Resolution Regarding the Imposition of System Development Fees:** The Board entered into discussion regarding a Resolution Regarding the Imposition of System Development Fees. No action was taken by the Board.

**Bond Issuance:** The Board entered into discussion regarding a potential bond issuance. The Board further discussed appointing Director D. Frank to act as the Finance Committee for decisions necessary between meetings.

Following discussion, upon motion duly made by Director R. Frank, seconded by Director D. Frank and, upon vote, unanimously carried, the Board appointed Director D. Frank to the Finance Committee for the purpose of reviewing engagements necessary for the possible issuance of bonds, between meetings.

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### LEGAL MATTERS

**Regional Improvements and Participation in Regional Infrastructure Authority:** The Board deferred discussion.

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### OTHER MATTERS

None.

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## RECORD OF PROCEEDINGS

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### ADJOURNMENT

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

Respectfully submitted,

By: \_\_\_\_\_  
Secretary for the Meetings

# RECORD OF PROCEEDINGS

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## MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE HARVEST CROSSING METROPOLITAN DISTRICT NO. 4 HELD APRIL 19, 2022

A special meeting of the Board of Directors (the “Board”) of the Harvest Crossing Metropolitan District No. 4 (formerly known as Villages at Murphy Creek Metropolitan District No. 2, referred to hereafter as the “District”) was convened on Tuesday, April 19, 2022 at 1:30 p.m. This District meeting was held by conference call without any individuals (neither District representatives nor the general public) attending in person. The meeting was open to the public via conference call.

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### ATTENDANCE

#### Directors In Attendance Were:

Daniel Frank  
Richard Frank

Following discussion, upon motion duly made by Director R. Frank, seconded by Director D. Frank and, upon vote, unanimously carried, the absence of Director Cooper was excused.

#### Also In Attendance Were:

David Solin; Special District Management Services, Inc.

Paula Williams, Esq. and Tim O’Connor, Esq.; McGeady Becher P.C.

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### 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 disclose any potential conflicts of interest with regard to any matters scheduled for discussion at the meeting, and incorporated for the record those applicable disclosures made by the Board members prior to the meeting in accordance with the statute. No additional conflicts were disclosed.

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### PUBLIC COMMENT

There were no public comments.

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## RECORD OF PROCEEDINGS

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### ADMINISTRATIVE MATTERS

**Agenda:** Mr. Solin reviewed a proposed Agenda for the District's Special Meeting with the Board.

Following discussion, upon motion duly made by Director R. Frank, seconded by Director D. Frank and, upon vote, unanimously carried, the Agenda for the Special Meeting was approved, as amended.

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

Following discussion, upon motion duly made by Director R. Frank, seconded by Director D. Frank and, upon vote, unanimously carried, the Board determined that the District meeting was held by conference call. The Board further noted that notice of the time, date and conference bridge information was duly posted and that they have not received any objections, or any requests that the means of hosting the meeting be changed by taxpaying electors within the boundaries of the District.

**Consent Agenda:** There were no items on the Consent Agenda.

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### FINANCIAL MATTERS

**Limited Tax Senior Cash-Flow General Obligation Bonds, Series 2022A(3):** Attorney Williams discussed with the Board the District's planned Limited Tax Senior Cash-Flow General Obligation Bonds, Series 2022A(3).

**Bond Counsel:** The Board reviewed a proposal from Kutak Rock LLP to serve as Bond Counsel.

Following discussion, upon motion duly made by Director R. Frank, seconded by Director D. Frank and, upon vote, unanimously carried, the Board approved the proposal from Kutak Rock LLP to serve as Bond Counsel, subject to final review of Director D. Frank.

**Placement Agent/Underwriter:** The Board reviewed a proposal from D.A. Davidson & Co. to serve as Placement Agent/Underwriter.

Following discussion, upon motion duly made by Director R. Frank, seconded by Director D. Frank and, upon vote, unanimously carried, the Board approved the proposal from D.A. Davidson & Co. to serve as Placement Agent/Underwriter, subject to final review of Director D. Frank.

**Market Study Services:** The Board reviewed a proposal from Zonda Advisory for Market Study services.

## RECORD OF PROCEEDINGS

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Following discussion, upon motion duly made by Director R. Frank, seconded by Director D. Frank and, upon vote, unanimously carried, the Board approved the proposal from Zonda Advisory for Market Study services, subject to final review of Director D. Frank.

Appreciation Study/AV Inflation Report Services: The Board reviewed a proposal from King & Associates, Inc. for Appreciation Study/AV Inflation Report services.

Following discussion, upon motion duly made by Director R. Frank, seconded by Director D. Frank and, upon vote, unanimously carried, the Board approved the proposal from King & Associates, Inc. for Appreciation Study/AV Inflation Report services, subject to final review of Director D. Frank.

Municipal Advisor: The Board reviewed a proposal from Hilltop Securities Inc. to serve as Municipal Advisor.

Following discussion, upon motion duly made by Director R. Frank, seconded by Director D. Frank and, upon vote, unanimously carried, the Board approved the proposal from Hilltop Securities Inc. to serve as Municipal Advisor, subject to final review of Director D. Frank.

Disclosure Counsel: The Board entered into discussion regarding the engagement of Thompson Coburn LLP to serve as Disclosure Counsel.

Following discussion, upon motion duly made by Director R. Frank, seconded by Director D. Frank and, upon vote, unanimously carried, the Board acknowledged the engagement of Thompson Coburn LLP to serve as Disclosure Counsel, subject to final review of Director D. Frank.

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### LEGAL MATTERS

Public Hearing on the Inclusion of 72.894 acres, more or less, of property owned by Harvest & Jewell, LLC: The President opened the public hearing to consider the Petition for Inclusion of Land regarding the inclusion of approximately 72.894 acres, more or less, of real property owned by Harvest & Jewell, LLC.

It was noted that publication of notice stating that the Board would consider the inclusion of the property and the date, time and place of the public hearing was made in the Aurora Sentinel, a newspaper having general circulation within the District, on April 14, 2022. 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 R. Frank, seconded by Director D. Frank and, upon vote, unanimously carried, the Board approved the

## RECORD OF PROCEEDINGS

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inclusion of the property as described in the Petition and adopted Resolution No. 2022-04-01, Resolution for Inclusion of Real Property. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

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### **OTHER MATTERS**

None.

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### **ADJOURNMENT**

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

Respectfully submitted,

By: \_\_\_\_\_  
Secretary for the Meetings



## RECORD OF PROCEEDINGS

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### MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE HARVEST CROSSING METROPOLITAN DISTRICT NO. 4 HELD MAY 24, 2022

A special meeting of the Board of Directors (the “Board”) of the Harvest Crossing Metropolitan District No. 4 (formerly known as Villages at Murphy Creek Metropolitan District No. 2, referred to hereafter as the “District”) was convened on Tuesday, May 24, 2022 at 3:00 p.m. This District meeting was held at the offices of McGeady Becher P.C., 450 E. 17th Avenue, Suite 400, Denver, Colorado 80203 and by conference call. The meeting was open to the public via conference call.

#### ATTENDANCE

#### Directors In Attendance Were:

Daniel Frank  
Marc L. Cooper  
Richard Frank

#### Also In Attendance Were:

David Solin; Special District Management Services, Inc.

Paula Williams, Esq. and Tim O’Connor, Esq.; McGeady Becher P.C.

Jason Simmons; Hilltop Securities Inc.

Sam Hartman; D.A. Davidson & Co.

Kristine Lay, Esq., Kutak Rock LLP

#### 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 disclose any potential conflicts of interest with regard to any matters scheduled for discussion at the meeting, and incorporated for the record those applicable disclosures made by the Board members prior to the meeting in accordance with the statute. No additional conflicts were disclosed.

## RECORD OF PROCEEDINGS

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**PUBLIC COMMENT**      There were no public comments.

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**ADMINISTRATIVE  
MATTERS**

**May 3, 2022 Election:** Mr. Solin advised the Board that the May 3, 2022 election was cancelled, as allowed under Colorado law, by the Designated Election Official because there were no more candidates than positions available on the Board of Directors. It was noted that Directors D. Frank, R. Frank and Cooper were each deemed elected to 3-year terms ending in May, 2025.

**Appointment of Officers:** The Board entered into discussion regarding the appointment of officers.

Following discussion, upon motion duly made by Director D. Frank, seconded by Director R. Frank and, upon vote, unanimously carried, the following slate of officers was appointed:

President	Daniel Frank
Treasurer	Marc L. Cooper
Secretary	David Solin
Assistant Secretary	Richard Frank

**Agenda:** Mr. Solin reviewed a proposed Agenda for the District’s Special Meeting with the Board.

Following discussion, upon motion duly made by Director R. Frank, seconded by Director D. Frank and, upon vote, unanimously carried, the Agenda for the Special Meeting was approved, as amended.

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

Following discussion, upon motion duly made by Director R. Frank, seconded by Director D. Frank and, upon vote, unanimously carried, the Board determined that the District meeting was held by conference call and at the offices of McGeady Becher P.C. The Board further noted that notice of the time, date, location and conference bridge information was duly posted and that they have not received any objections, or any requests that the means of hosting the meeting be changed by taxpaying electors within the boundaries of the District.

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**CONSENT AGENDA**      **Consent Agenda:** There were no consent agenda items to discuss.

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## RECORD OF PROCEEDINGS

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### FINANCIAL MATTERS

**2022 Budget Amendment Hearing:** The President opened the public hearing to consider the Resolution to Amend the 2022 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 2022 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 review and discussion, Director R. Frank moved to adopt the Resolution to Amend 2022 Budget, Director D. Frank seconded the motion and, upon vote, unanimously carried, the Board adopted Resolution No. 2022-05-01 to Amend the 2022 Budget. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

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### LEGAL MATTERS

**Termination of Facilities Acquisition Agreement between the District and Villages at Murphy Creek, LLC:** The Board entered into discussion regarding a Termination of Facilities Acquisition Agreement between the District and Villages at Murphy Creek, LLC.

Following discussion, upon motion duly made by Director R. Frank, seconded by Director D. Frank and, upon vote, unanimously carried, the Board approved the Termination of Facilities Acquisition Agreement between the District and Villages at Murphy Creek, LLC.

**Facilities Acquisition Agreement between the District, Jewell Developers, Inc., and Harvest & Jewell, LLC:** The Board entered into discussion regarding a Facilities Acquisition Agreement between the District, Jewell Developers, Inc., and Harvest & Jewell, LLC.

Following discussion, upon motion duly made by Director R. Frank, seconded by Director D. Frank and, upon vote, unanimously carried, the Board approved the Facilities Acquisition Agreement between the District, Jewell Developers, Inc., and Harvest & Jewell, LLC.

**2022-2023 Operation Funding Agreement between the District and Jewell Developers, Inc.:** The Board entered into discussion regarding a 2022-2023 Operation Funding Agreement between the District and Jewell Developers, Inc.

Following discussion, upon motion duly made by Director R. Frank, seconded by Director D. Frank and, upon vote, unanimously carried, the Board approved the 2022-2023 Operation Funding Agreement between the District and Jewell Developers, Inc.

## RECORD OF PROCEEDINGS

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**Resolution authorizing the issuance of the District's Limited Tax General Obligation Bonds, Series 2022A(3), (the "Bonds") in a Maximum Aggregate Principal Amount of up to \$16,500,000, for the Purpose of Paying, Reimbursing and Financing Certain Public Improvements and Paying the Costs Incidental to the Issuance of the Bonds:** Attorney Lay discussed the Bond Resolution authorizing the issuance of the District's Limited Tax General Obligation Bonds, Series 2022A(3); and in connection therewith, the Indenture of Trust, the Revenue Pledge Agreement, the Continuing Disclosure Agreement, the Bond Purchase Agreement, and other related documents and instruments with the Board.

Following discussion, upon motion duly made by Director R. Frank, seconded by Director D. Frank and, upon vote, unanimously carried, the Board adopted the Resolution authorizing the issuance of the District's Limited Tax General Obligation Bonds, Series 2022A(3) (the "Bonds") in a maximum aggregate principal amount of up to \$16,500,000, for the purpose of paying, reimbursing and financing certain public improvements and paying the costs incidental to the issuance of the Bonds; and, in connection therewith, approved an Indenture of Trust, a Revenue Pledge Agreement, a Continuing Disclosure Agreement, a Bond Purchase Agreement, and other related documents and instruments; authorized the execution and delivery thereof and performance by the District thereunder; authorizing incidental actions; and repealed prior inconsistent actions.

### **OTHER MATTERS**

There were no other matters.

### **ADJOURNMENT**

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

Respectfully submitted,

By: \_\_\_\_\_  
Secretary for the Meeting

**Harvest Crossing Metropolitan District No. 3  
January-22**

<b>Vendor</b>	<b>Invoice #</b>	<b>Date</b>	<b>Due Date</b>	<b>Amount</b>	<b>Expense Account</b>	<b>Account Number</b>
Aurora Media Group	101436	10/22/2021	11/6/2021	\$ 37.55	Miscellaneous	1685
Colorado Special Districts Property and Liability Pool	POL-0008923	9/26/2021	9/26/2021	\$ 2,029.00	Prepaid Expenses	1143
Colorado Special Districts Property and Liability Pool	POL-0007519	9/8/2021	9/8/2021	\$ 450.00	Prepaid Expenses	1143
IDES, LLC	38901	12/31/2021	12/31/2021	\$ 1,029.00	Miscellaneous	1685
Special District Association	SDA-2021	11/11/2021	11/11/2021	\$ 200.00	Insurance/SDA Dues	1670
Special District Management Services, Inc.	D1 03/2021	3/31/2021	3/31/2021	\$ 84.00	Accounting	1612
Special District Management Services, Inc.	D1 03/2021	3/31/2021	3/31/2021	\$ 33.65	Miscellaneous	1685
Special District Management Services, Inc.	D1 03/2021	3/31/2021	3/31/2021	\$ 1,037.50	Management	1620
Special District Management Services, Inc.	D1 04/2021	4/30/2021	4/30/2021	\$ 238.00	Accounting	1612
Special District Management Services, Inc.	D1 04/2021	4/30/2021	4/30/2021	\$ 24.88	Miscellaneous	1685
Special District Management Services, Inc.	D1 04/2021	4/30/2021	4/30/2021	\$ 742.00	Management	1620
Special District Management Services, Inc.	D1 05/2021	5/31/2021	5/31/2021	\$ 42.00	Accounting	1612
Special District Management Services, Inc.	D1 05/2021	5/31/2021	5/31/2021	\$ 150.80	Miscellaneous	1685
Special District Management Services, Inc.	D1 05/2021	5/31/2021	5/31/2021	\$ 56.00	Management	1620
Special District Management Services, Inc.	D1 06/2021	6/30/2021	6/30/2021	\$ 266.00	Accounting	1612
Special District Management Services, Inc.	D1 06/2021	6/30/2021	6/30/2021	\$ 0.60	Miscellaneous	1685
Special District Management Services, Inc.	D1 06/2021	6/30/2021	6/30/2021	\$ 308.00	Management	1620
Special District Management Services, Inc.	D1 07/2021	7/31/2021	7/31/2021	\$ 182.00	Accounting	1612
Special District Management Services, Inc.	D1 07/2021	7/31/2021	7/31/2021	\$ 28.25	Miscellaneous	1685
Special District Management Services, Inc.	D1 07/2021	7/31/2021	7/31/2021	\$ 252.00	Management	1620
Special District Management Services, Inc.	D1 08/2021	8/31/2021	8/31/2021	\$ 98.00	Accounting	1612
Special District Management Services, Inc.	D1 08/2021	8/31/2021	8/31/2021	\$ 37.28	Miscellaneous	1685
Special District Management Services, Inc.	D1 08/2021	8/31/2021	8/31/2021	\$ 1,713.00	Management	1620
Special District Management Services, Inc.	D2 08/2021	8/31/2021	8/31/2021	\$ 70.00	Accounting	1612
Special District Management Services, Inc.	D2 08/2021	8/31/2021	8/31/2021	\$ 532.00	Management	1620
Special District Management Services, Inc.	D1 09/2021	9/30/2021	9/30/2021	\$ 294.00	Accounting	1612
Special District Management Services, Inc.	D1 09/2021	9/30/2021	9/30/2021	\$ 35.24	Miscellaneous	1685
Special District Management Services, Inc.	D1 09/2021	9/30/2021	9/30/2021	\$ 378.00	Management	1620
Special District Management Services, Inc.	D2 09/2021	9/30/2021	9/30/2021	\$ 518.00	Management	1620
Special District Management Services, Inc.	D1 10/2021	10/31/2021	10/31/2021	\$ 658.00	Accounting	1612
Special District Management Services, Inc.	D1 10/2021	10/31/2021	10/31/2021	\$ 52.84	Miscellaneous	1685
Special District Management Services, Inc.	D1 10/2021	10/31/2021	10/31/2021	\$ 1,896.00	Management	1620
Special District Management Services, Inc.	D2 10/2021	10/31/2021	10/31/2021	\$ 98.00	Accounting	1612
Special District Management Services, Inc.	D2 10/2021	10/31/2021	10/31/2021	\$ 35.84	Miscellaneous	1685
Special District Management Services, Inc.	D2 10/2021	10/31/2021	10/31/2021	\$ 356.00	Management	1620
Special District Management Services, Inc.	D1 11/2021	11/30/2021	11/30/2021	\$ 294.00	Accounting	1612
Special District Management Services, Inc.	D1 11/2021	11/30/2021	11/30/2021	\$ 33.20	Miscellaneous	1685
Special District Management Services, Inc.	D1 11/2021	11/30/2021	11/30/2021	\$ 896.00	Management	1620
Special District Management Services, Inc.	D2 11/2021	11/30/2021	11/30/2021	\$ 280.00	Accounting	1612
Special District Management Services, Inc.	D2 11/2021	11/30/2021	11/30/2021	\$ 41.22	Miscellaneous	1685
Special District Management Services, Inc.	D2 11/2021	11/30/2021	11/30/2021	\$ 616.00	Management	1620
Special District Management Services, Inc.	D1 12/2021	12/31/2021	12/31/2021	\$ 1,232.00	Accounting	1612
Special District Management Services, Inc.	D1 12/2021	12/31/2021	12/31/2021	\$ 1,081.81	Miscellaneous	1685
Special District Management Services, Inc.	D1 12/2021	12/31/2021	12/31/2021	\$ 336.00	Management	1620
Special District Management Services, Inc.	D2 12/2021	12/31/2021	12/31/2021	\$ 56.00	Accounting	1612
Special District Management Services, Inc.	D2 12/2021	12/31/2021	12/31/2021	\$ 1.00	Miscellaneous	1685
Special District Management Services, Inc.	D2 12/2021	12/31/2021	12/31/2021	\$ 210.00	Management	1620
T. Charles Wilson	10400	10/26/2021	1/1/2022	\$ 495.00	Prepaid Expenses	1143
				\$ 19,535.66		

**Harvest Crossing Metropolitan District No. 3**  
**January-22**

	<u>General</u>	<u>Debt</u>	<u>Capital</u>	<u>Totals</u>
<b>Disbursements</b>	\$ 19,535.66	\$ -	\$ -	\$ 19,535.66
<b>Payroll</b>	\$ -	\$ -	\$ -	\$ -
<b>Direct Pay</b>	\$ -	\$ -	\$ -	\$ -
<b>Total Disbursements from Checking Acct</b>	<b>\$19,535.66</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$19,535.66</b>

**Harvest Crossing Metropolitan District No. 3**  
**February-22**

<b>Vendor</b>	<b>Invoice #</b>	<b>Date</b>	<b>Due Date</b>	<b>Amount</b>	<b>Expense Account</b>	<b>Account Number</b>
Special District Management Services, Inc.	D3 01/2022	1/31/2022	1/31/2022	\$ 340.40	Accounting	1612
Special District Management Services, Inc.	D3 01/2022	1/31/2022	1/31/2022	\$ 22.96	Miscellaneous	1685
Special District Management Services, Inc.	D3 01/2022	1/31/2022	1/31/2022	\$ 414.40	Management	1620
Special District Management Services, Inc.	D4 01/2022	1/31/2022	1/31/2022	\$ 43.88	Miscellaneous	1685
Special District Management Services, Inc.	D4 01/2022	1/31/2022	1/31/2022	\$ 1,391.20	Accounting	1612
Special District Management Services, Inc.	D4 01/2022	1/31/2022	1/31/2022	\$ 1,317.20	Management	1620
				\$ 3,530.04		

**Harvest Crossing Metropolitan District No. 3**  
**February-22**

	<u>General</u>	<u>Debt</u>	<u>Capital</u>	<u>Totals</u>
<b>Disbursements</b>	\$ 3,530.04	\$ -	\$ -	\$ 3,530.04
<b>Payroll</b>	\$ -	\$ -	\$ -	\$ -
<b>Direct Pay</b>	\$ -	\$ -	\$ -	\$ -
<b>Total Disbursements from Checking Acct</b>	<b>\$3,530.04</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$3,530.04</b>



**Harvest Crossing Metropolitan District No. 3**

**March-22**

<b>Vendor</b>	<b>Invoice #</b>	<b>Date</b>	<b>Due Date</b>	<b>Amount in USD</b>	<b>Expense Account</b>	<b>Account Number</b>
IDES, LLC	38902	1/31/2022	1/31/2022	\$ 5,883.26	Miscellaneous	1685
Special District Association	2022 SDA	2/28/2022	2/28/2022	\$ 297.75	Insurance/SDA Dues	1670
Special District Management Services, Inc.	D4 02-2022	2/28/2022	2/28/2022	\$ 42.65	Miscellaneous	1685
Special District Management Services, Inc.	D4 02-2022	2/28/2022	2/28/2022	\$ 103.60	Election	1635
Special District Management Services, Inc.	D4 02-2022	2/28/2022	2/28/2022	\$ 118.40	Management	1620
Special District Management Services, Inc.	D3 02-2022	2/28/2022	2/28/2022	\$ 2,012.80	Accounting	1612
Special District Management Services, Inc.	D3 02-2022	2/28/2022	2/28/2022	\$ 35.47	Miscellaneous	1685
Special District Management Services, Inc.	D3 02-2022	2/28/2022	2/28/2022	\$ 148.00	Election	1635
Special District Management Services, Inc.	D3 02-2022	2/28/2022	2/28/2022	\$ 370.00	Management	1620
				\$ 9,011.93		

**Harvest Crossing Metropolitan District No. 3**  
**March-22**

	<u>General</u>	<u>Debt</u>	<u>Capital</u>	<u>Totals</u>
<b>Disbursements</b>	\$ 9,011.93	\$ -	\$ -	\$ 9,011.93
<b>Payroll</b>	\$ -	\$ -	\$ -	\$ -
<b>Direct Pay</b>	\$ -	\$ -	\$ -	\$ -
<b>Total Disbursements from Checking Acct</b>	<b>\$9,011.93</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$9,011.93</b>

**Harvest Crossing Metropolitan District No. 3**  
**April-22**

<b>Vendor</b>	<b>Invoice #</b>	<b>Date</b>	<b>Due Date</b>	<b>Amount</b>	<b>Expense Account</b>	<b>Account Number</b>
McGeady Becher, P.C.	893M 02/2022	2/28/2022	2/28/2022	\$ 1,880.00	Legal	1675
Special District Management Services, Inc.	D3 03/2022	3/31/2022	3/31/2022	\$ 858.40	Accounting	1612
Special District Management Services, Inc.	D3 03/2022	3/31/2022	3/31/2022	\$ 1.40	Miscellaneous	1685
Special District Management Services, Inc.	D3 03/2022	3/31/2022	3/31/2022	\$ 88.80	Election	1635
Special District Management Services, Inc.	D3 03/2022	3/31/2022	3/31/2022	\$ 370.00	Management	1620
Special District Management Services, Inc.	D4 03/2022	3/31/2022	3/31/2022	\$ 222.00	Accounting	1612
Special District Management Services, Inc.	D4 03/2022	3/31/2022	3/31/2022	\$ 44.40	Election	1635
Special District Management Services, Inc.	D4 03/2022	3/31/2022	3/31/2022	\$ 606.80	Management	1620

\$4,071.80

**Harvest Crossing Metropolitan District No. 3**  
**April-22**

	<u>General</u>		<u>Debt</u>		<u>Capital</u>		<u>Totals</u>
Disbursements	\$ 4,071.80	\$	-	\$	-	\$	4,071.80
<b>Total Disbursements from Checking Acct</b>	<b>\$4,071.80</b>		<b>\$0.00</b>		<b>\$0.00</b>		<b>\$4,071.80</b>

**Harvest Crossing Metropolitan District No. 3**  
**April-22**  
**Special Payment**

<b>Vendor</b>	<b>Invoice #</b>	<b>Date</b>	<b>Due Date</b>	<b>Amount</b>	<b>Expense Account</b>	<b>Account Number</b>
Colorado Special Districts Property and Liability Pool	36144	4/27/2022	4/27/2022	\$ 313.00	Insurance/SDA Dues	1670
Colorado Special Districts Property and Liability Pool	36143	4/27/2022	4/27/2022	\$1,413.00	Insurance/SDA Dues	1670
				\$1,726.00		

**Harvest Crossing Metropolitan District No. 3**  
**April-22**

	<b>Special Payment</b>						
	<b>General</b>		<b>Debt</b>		<b>Capital</b>		<b>Totals</b>
<b>Disbursements</b>	\$ 1,726.00	\$	-	\$	-	\$	1,726.00
<b>Total Disbursements from Checking Acct</b>	<b>\$1,726.00</b>		<b>\$0.00</b>		<b>\$0.00</b>		<b>\$1,726.00</b>

**Harvest Crossing Metropolitan District No. 3  
May-22**

<b>Vendor</b>	<b>Invoice #</b>	<b>Date</b>	<b>Due Date</b>	<b>Amount</b>	<b>Expense Account</b>	<b>Account Number</b>
McGeady Becher, P.C.	893M 03/2022	3/31/2022	3/31/2022	\$ 5,693.50	Legal	1675
Special District Management Services, Inc.	D1 04/2022	4/30/2022	4/30/2022	\$ 14.80	Accounting	1612
Special District Management Services, Inc.	D2 04/2022	4/30/2022	4/30/2022	\$ 14.80	Accounting	1612
Special District Management Services, Inc.	D3 04/2022	4/30/2022	4/30/2022	\$ 799.20	Accounting	1612
Special District Management Services, Inc.	D3 04/2022	4/30/2022	4/30/2022	\$ 3.00	Miscellaneous	1685
Special District Management Services, Inc.	D3 04/2022	4/30/2022	4/30/2022	\$ 88.80	Election	1635
Special District Management Services, Inc.	D3 04/2022	4/30/2022	4/30/2022	\$ 503.20	Management	1620
Special District Management Services, Inc.	D4 04/2022	4/30/2022	4/30/2022	\$ 14.80	Accounting	1612
Special District Management Services, Inc.	D4 04/2022	4/30/2022	4/30/2022	\$ 40.67	Miscellaneous	1685
Special District Management Services, Inc.	D4 04/2022	4/30/2022	4/30/2022	\$ 88.80	Election	1635
Special District Management Services, Inc.	D4 04/2022	4/30/2022	4/30/2022	\$ 1,124.80	Management	1620
				\$ 8,386.37		

**Harvest Crossing Metropolitan District No. 3**  
**May-22**

	<u>General</u>	<u>Debt</u>	<u>Capital</u>	<u>Totals</u>
Disbursements	\$ 8,386.37	\$ -	\$ -	\$ 8,386.37
<b>Total Disbursements from Checking Acct</b>	<b>\$8,386.37</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$8,386.37</b>



**Harvest Crossing Metropolitan District No. 3**  
**June-22**

<b>Vendor</b>	<b>Invoice #</b>	<b>Date</b>	<b>Due Date</b>	<b>Amount</b>	<b>Expense Account</b>	<b>Account Number</b>
McGeady Becher, P.C.	893M 04/2022	4/30/2022	4/30/2022	\$ 2,111.50	Legal	1675
McGeady Becher, P.C.	762M 04/2022	4/30/2022	4/30/2022	\$ 1,998.00	Legal	1675
Special District Management Services, Inc.	D2 05/2022	5/31/2022	5/31/2022	\$ 14.80	Accounting	1612
Special District Management Services, Inc.	D2 05/2022	5/31/2022	5/31/2022	\$ 100.00	Miscellaneous	1685
Special District Management Services, Inc.	D2 05/2022	5/31/2022	5/31/2022	\$ 29.60	Management	1620
Special District Management Services, Inc.	D3 05/2022	5/31/2022	5/31/2022	\$ 2,738.00	Accounting	1612
Special District Management Services, Inc.	D3 05/2022	5/31/2022	5/31/2022	\$ 27.29	Miscellaneous	1685
Special District Management Services, Inc.	D3 05/2022	5/31/2022	5/31/2022	\$ 340.40	Election	1635
Special District Management Services, Inc.	D3 05/2022	5/31/2022	5/31/2022	\$ 888.40	Management	1620
Special District Management Services, Inc.	D1 05/2022	5/31/2022	5/31/2022	\$ 262.80	Management	1620
Special District Management Services, Inc.	D4 05/2022	5/31/2022	5/31/2022	\$ 310.80	Accounting	1612
Special District Management Services, Inc.	D4 05/2022	5/31/2022	5/31/2022	\$ 22.60	Miscellaneous	1685
Special District Management Services, Inc.	D4 05/2022	5/31/2022	5/31/2022	\$ 251.60	Election	1635
Special District Management Services, Inc.	D4 05/2022	5/31/2022	5/31/2022	\$ 1,095.60	Management	1620
T. Charles Wilson	10945	4/28/2022	6/21/2022	\$ 495.00	Insurance/SDA Dues	1670
				\$ 10,686.39		

**Harvest Crossing Metropolitan District No. 3**  
**June-22**

	<u>General</u>	<u>Debt</u>	<u>Capital</u>	<u>Totals</u>
Disbursements	\$ 10,686.39	\$ -	\$ -	\$ 10,686.39
<b>Total Disbursements from Checking Acct</b>	<b>\$10,686.39</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$10,686.39</b>

**HARVEST CREEK METROPOLITAN DISTRICT NO. 3**  
**Schedule of Cash Position**  
**March 31, 2022**

	<u>Rate</u>	<u>Operating</u>	<u>Debt Service</u>	<u>Total</u>
<b>Checking:</b>				
Cash in Bank-FirstBank		\$ (6,173.95)	\$ -	\$ (6,173.95)
<b>Trustee:</b>				
2021A Project Fund		-	(239,812.49)	(239,812.49)
<b>TOTAL FUNDS:</b>		<u>\$ (6,173.74)</u>	<u>\$ (264,400.44)</u>	<u>\$ (270,574.18)</u>

**2022 Mill Levy Information**

General Fund	10.000
Debt Service Fund	55.664
ARI	1.114
Total Certified Mill Levy	<u>66.778</u>

**Board of Directors**

- \* Daniel Frank
- \* Marc Cooper
- Richard A. Frank

\*authorized signer on checking account

**HARVEST CREEK METROPOLITAN DISTRICT NO. 3**

**FINANCIAL STATEMENTS**

**March 31, 2022**

**HARVEST CREEK METROPOLITAN DISTRICT NO. 3**  
**COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS**  
**March 31, 2022**

	<u>GENERAL</u>	<u>DEBT SERVICE</u>	<u>LONG-TERM DEBT</u>	<u>TOTAL MEMO ONLY</u>
<b>Assets</b>				
Cash in Bank-FirstBank	\$ (6,174)	\$ -	\$ -	\$ (6,174)
2021A Project Fund	-	(239,812)	-	(239,812)
Property Taxes Receivable	-	-	-	-
Total Current Assets	<u>(6,174)</u>	<u>(264,400)</u>	<u>-</u>	<u>(270,574)</u>
<b>Other Debits</b>				
Amount in Debt Service Fund	-	-	(239,811)	(239,811)
Amount to be Provided for Debt	-	-	239,811	239,811
Total Other Debits	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Assets</b>	<u>\$ (6,174)</u>	<u>\$ (264,400)</u>	<u>\$ -</u>	<u>\$ (270,574)</u>
<b>Liabilities</b>				
Series 2021A Bonds	\$ -	\$ -	\$ -	\$ -
Total Liabilities	<u>(16,562)</u>	<u>(24,589)</u>	<u>-</u>	<u>(41,151)</u>
<b>Deferred Inflows of Resources</b>				
Deferred Property Taxes	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balance</b>				
Fund Balance	(16)	(8,126)	-	(8,142)
Current Year Earnings	10,404	(231,685)	-	(221,282)
Total Fund Balances	<u>10,388</u>	<u>(239,811)</u>	<u>-</u>	<u>(229,424)</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<u>\$ (6,174)</u>	<u>\$ (264,400)</u>	<u>\$ -</u>	<u>\$ (270,574)</u>

**HARVEST CREEK METROPOLITAN DISTRICT NO. 3**  
**Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**For the 3 Months Ending**  
**March 31, 2022**  
**General Fund**

<u>Account Description</u>	<u>Period Actual</u>	<u>YTD Actual</u>	<u>Budget</u>	<u>Favorable (Unfavorable) Variance</u>	<u>% of Budget</u>
<b>Revenues</b>					
Property Tax Revenue	\$ -	\$ -	\$ 18	\$ (18)	0.0%
Developer Advances	26,066	26,066	50,000	(23,934)	52.1%
ARI Mill Levy	0	0	2	(2)	1.0%
<b>Total Revenues</b>	<u>26,066</u>	<u>26,066</u>	<u>50,020</u>	<u>(23,954)</u>	<u>52.1%</u>
<b>Expenditures</b>					
Accounting	4,360	4,360	8,000	3,640	54.5%
Audit	-	-	1,000	1,000	0.0%
Management	1,604	1,604	15,000	13,396	10.7%
Insurance/SDA Dues	3,272	3,272	3,500	228	93.5%
Legal	-	-	15,000	15,000	0.0%
Election	252	252	-	(252)	0.0%
Miscellaneous	6,174	6,174	3,000	(3,174)	205.8%
ARI Mill Levy	-	-	2	2	0.0%
Contingency	-	-	3,000	3,000	0.0%
<b>Total Expenditures</b>	<u>15,662</u>	<u>15,662</u>	<u>48,502</u>	<u>32,840</u>	<u>32.3%</u>
Excess (Deficiency) of Revenues Over Expenditures	10,404	10,404	1,518	8,887	
<b>Transfers and Other Sources (Uses)</b>					
Emergency Reserve	-	-	1,500	1,500	
<b>Total Transfers and Other Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>1,500</u>	<u>1,500</u>	
Change in Fund Balance	10,404	10,404	18	10,387	
Beginning Fund Balance	(16)	(16)	1,500	(1,516)	
<b>Ending Fund Balance</b>	<u>\$ 10,388</u>	<u>\$ 10,388</u>	<u>\$ 1,518</u>	<u>\$ 8,871</u>	

**HARVEST CREEK METROPOLITAN DISTRICT NO. 3**  
**Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**For the 3 Months Ending**  
**March 31, 2022**  
**Debt Service Fund**

<u>Account Description</u>	<u>Period Actual</u>	<u>YTD Actual</u>	<u>Budget</u>	<u>Favorable (Unfavorable) Variance</u>	<u>% of Budget</u>
<b>Revenues</b>					
Property Tax Revenue	\$ -	\$ -	\$ 99	\$ (99)	0.0%
Specific Ownership Taxes	1	1	-	1	-
Interest Income	3,978	3,978	-	3,978	-
<b>Total Revenues</b>	<u>3,980</u>	<u>3,980</u>	<u>99</u>	<u>3,881</u>	<u>4019.7%</u>
<b>Expenditures</b>					
Treasurer Fees	-	-	1	1	0.0%
<b>Total Expenditures</b>	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>	<u>0.0%</u>
Excess (Deficiency) of Revenues Over Expenditures	3,980	3,980	98	3,882	
<b>Transfers and Other Sources (Uses)</b>					
Transfer to Capital Projects	(235,665)	(235,665)	-	(235,665)	
<b>Total Transfers and Other Sources (Uses)</b>	<u>(235,665)</u>	<u>(235,665)</u>	<u>-</u>	<u>(235,665)</u>	
Change in Fund Balance	(231,685)	(231,685)	98	(231,783)	
Beginning Fund Balance	(8,126)	(8,126)	-	(8,126)	
<b>Ending Fund Balance</b>	<u>\$ (239,811)</u>	<u>\$ (239,811)</u>	<u>\$ 98</u>	<u>\$ (239,909)</u>	

**HARVEST CREEK METROPOLITAN DISTRICT NO. 3**  
**Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**For the 3 Months Ending**  
**March 31, 2022**  
**Capital Projects Fund**

<u>Account Description</u>	<u>Period Actual</u>	<u>YTD Actual</u>	<u>Budget</u>	<u>Favorable (Unfavorable) Variance</u>	<u>% of Budget</u>
<b>Expenditures</b>					
Capital Outlay	\$ 235,665	\$ 235,665	\$ 13,500,000	\$ 13,264,335	1.7%
<b>Total Expenditures</b>	<u>235,665</u>	<u>235,665</u>	<u>13,500,000</u>	<u>13,264,335</u>	<u>1.7%</u>
Excess (Deficiency) of Revenues Over Expenditures	(235,665)	(235,665)	(13,500,000)	13,264,335	
<b>Transfers and Other Sources (Uses)</b>					
Transfer from Debt Service	235,665	235,665	-	235,665	-
<b>Total Transfers and Other Sources (Uses)</b>	<u>235,665</u>	<u>235,665</u>	<u>-</u>	<u>235,665</u>	
Change in Fund Balance	-	-	(13,500,000)	13,500,000	
Beginning Fund Balance	-	-	13,500,000	(13,500,000)	
<b>Ending Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	



# APPLICATION FOR EXEMPTION FROM AUDIT

## SHORT FORM

IF EITHER REVENUES OR EXPENDITURES EXCEED \$100,000, USE THE **LONG FORM**.

Under the Local Government Audit Law (Section 29-1-601, et seq., C.R.S.) any local government may apply for an exemption from audit if neither revenues nor expenditures exceed \$750,000 in the year.

### EXEMPTIONS FROM AUDIT ARE NOT AUTOMATIC

To qualify for exemption from audit, a local government must complete an Application for Exemption from Audit EACH YEAR and submit it to the Office of the State Auditor (OSA).

Any preparer of an Application for Exemption from Audit-SHORT FORM must be a person skilled in governmental accounting.

Approval for an exemption from audit is granted only upon the review by the OSA.

### READ ALL INSTRUCTIONS BEFORE COMPLETING AND SUBMITTING THIS FORM

ALL APPLICATIONS MUST BE FILED WITH THE OSA WITHIN 3 MONTHS AFTER THE ACCOUNTING YEAR-END.

FOR EXAMPLE, APPLICATIONS MUST BE RECEIVED BY THE OSA ON OR BEFORE MARCH 31 FOR GOVERNMENTS WITH A DECEMBER 31 YEAR-END.

GOVERNMENTAL ACTIVITY SHOULD BE REPORTED ON THE MODIFIED ACCRUAL BASIS  
PROPRIETARY ACTIVITY SHOULD BE REPORTED ON A BUDGETARY BASIS

POSTMARK DATES WILL NOT BE ACCEPTED AS PROOF OF SUBMISSION ON OR BEFORE THE STATUTORY DEADLINE

PRIOR YEAR FORMS ARE OBSOLETE AND WILL NOT BE ACCEPTED. FOR YOUR REFERENCE, COLORADO REVISED STATUTES CAN BE FOUND AT:

APPLICATIONS SUBMITTED ON FORMS OTHER THAN THOSE PRESCRIBED BY THE OSA WILL NOT BE ACCEPTED.

<http://www.lexisnexis.com/hottopics/Colorado/>

APPLICATIONS MUST BE FULLY AND ACCURATELY COMPLETED.

## CHECKLIST

- Has the preparer signed the application?
- Has the entity corrected all Prior Year Deficiencies as communicated by the OSA?
- Has the application been PERSONALLY reviewed and approved by the governing body?
- Did you include any relevant explanations for unusual items in the appropriate spaces at the end of each section?
- Will this application be submitted electronically?
  - If yes, have you read and understand the new Electronic Signature Policy? See new policy -> [here](#)
  - or--
  - If yes, have you included a resolution?
  - Does the resolution state that the governing body PERSONALLY reviewed and approved the resolution in an open public meeting?
  - Has the resolution been signed by a MAJORITY of the governing body? (See sample resolution.)
- Will this application be submitted via a mail service? (e.g. US Post Office, FedEx, UPS, courier.)
  - If yes, does the application include ORIGINAL INK SIGNATURES from the MAJORITY of the governing body?

## FILING METHODS

**NEW METHOD!** Register and submit your Applications at our new portal!

**WEB PORTAL:** <https://apps.leg.co.gov/osa/lg>

**MAIL:** Office of the State Auditor  
Local Government Audit Division  
1525 Sherman St., 7th Floor  
Denver, CO 80203

**QUESTIONS?** Email: [osa.lg@state.co.us](mailto:osa.lg@state.co.us) OR Phone: 303-869-3000

### IMPORTANT!

All Applications for Exemption from Audit are subject to review and approval by the Office of the State Auditor.

Governmental Activity should be reported on the Modified Accrual Basis

Proprietary Activity should be reported on the Cash or Budgetary Basis

Failure to file an application or denial of the request could cause the local government to lose its exemption from audit for that year and the ensuing year.

In that event, AN AUDIT SHALL BE REQUIRED.

# APPLICATION FOR EXEMPTION FROM AUDIT

## SHORT FORM

NAME OF GOVERNMENT  
ADDRESS

Villages at Murphy Creek Metropolitan District No. 2
141 Union Boulevard Suite 150
Lakewood, CO 80228-1898
David Solin
(303) 987-0835
dsolin@sdmsi.com
(303) 987-2032

For the Year Ended  
12/31/21  
or fiscal year ended:

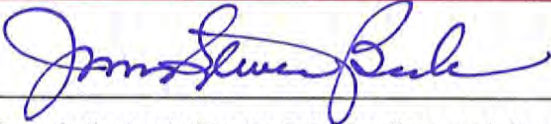
CONTACT PERSON  
PHONE  
EMAIL  
FAX

### PART 1 - CERTIFICATION OF PREPARER

I certify that I am skilled in governmental accounting and that the information in the application is complete and accurate, to the best of my knowledge.

NAME:	James Steven Beck
TITLE	District Accountant
FIRM NAME (if applicable)	Special District Management Services, Inc.
ADDRESS	141 Union Boulevard Suite 150, Lakewood, CO 80228-1898
PHONE	(303) 987-0835
DATE PREPARED	30-Mar-22

### PREPARER (SIGNATURE REQUIRED)



Please indicate whether the following financial information is recorded using Governmental or Proprietary fund types

**GOVERNMENTAL**  
(MODIFIED ACCRUAL BASIS)

**PROPRIETARY**  
(CASH OR BUDGETARY BASIS)

## PART 2 - REVENUE

REVENUE: All revenues for all funds must be reflected in this section, including proceeds from the sale of the government's land, building, and equipment, and proceeds from debt or lease transactions. Financial information will not include fund equity information.

Line#	Description	Round to nearest Dollar	
2-1	Taxes: Property (report mills levied in Question 10-6)	\$ -	Please use this space to provide any necessary explanations
2-2	Specific ownership	\$ -	
2-3	Sales and use	\$ -	
2-4	Other (specify):	\$ -	
2-5	Licenses and permits	\$ -	
2-6	Intergovernmental: Grants	\$ -	
2-7	Conservation Trust Funds (Lottery)	\$ -	
2-8	Highway Users Tax Funds (HUTF)	\$ -	
2-9	Other (specify):	\$ -	
2-10	Charges for services	\$ -	
2-11	Fines and forfeits	\$ -	
2-12	Special assessments	\$ -	
2-13	Investment income	\$ -	
2-14	Charges for utility services	\$ -	
2-15	Debt proceeds (should agree with line 4-4, column 2)	\$ -	
2-16	Lease proceeds	\$ -	
2-17	Developer Advances received (should agree with line 4-4)	\$ -	
2-18	Proceeds from sale of capital assets	\$ -	
2-19	Fire and police pension	\$ -	
2-20	Donations	\$ -	
2-21	Other (specify):	\$ -	
2-22		\$ -	
2-23		\$ -	
2-24	(add lines 2-1 through 2-23) TOTAL REVENUE	\$ -	

## PART 3 - EXPENDITURES/EXPENSES

EXPENDITURES: All expenditures for all funds must be reflected in this section, including the purchase of capital assets and principal and interest payments on long-term debt. Financial information will not include fund equity information.

Line#	Description	Round to nearest Dollar	
3-1	Administrative	\$ -	Please use this space to provide any necessary explanations
3-2	Salaries	\$ -	
3-3	Payroll taxes	\$ -	
3-4	Contract services	\$ -	
3-5	Employee benefits	\$ -	
3-6	Insurance	\$ -	
3-7	Accounting and legal fees	\$ -	
3-8	Repair and maintenance	\$ -	
3-9	Supplies	\$ -	
3-10	Utilities and telephone	\$ -	
3-11	Fire/Police	\$ -	
3-12	Streets and highways	\$ -	
3-13	Public health	\$ -	
3-14	Capital outlay	\$ -	
3-15	Utility operations	\$ -	
3-16	Culture and recreation	\$ -	
3-17	Debt service principal (should agree with Part 4)	\$ -	
3-18	Debt service interest	\$ -	
3-19	Repayment of Developer Advance Principal (should agree with line 4-4)	\$ -	
3-20	Repayment of Developer Advance Interest	\$ -	
3-21	Contribution to pension plan (should agree to line 7-2)	\$ -	
3-22	Contribution to Fire & Police Pension Assoc. (should agree to line 7-2)	\$ -	
3-23	Other (specify):	\$ -	
3-24		\$ -	
3-25		\$ -	
3-26	(add lines 3-1 through 3-24) TOTAL EXPENDITURES/EXPENSES	\$ -	

If TOTAL REVENUE (Line 2-24) or TOTAL EXPENDITURES (Line 3-26) are GREATER than \$100,000 - STOP. You may not use this form. Please use the "Application for Exemption from Audit - LONG FORM".

## PART 4 - DEBT OUTSTANDING, ISSUED, AND RETIRED

Please answer the following questions by marking the appropriate boxes.

	Yes	No
4-1 Does the entity have outstanding debt? If Yes, please attach a copy of the entity's Debt Repayment Schedule.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4-2 Is the debt repayment schedule attached? If no, MUST explain: <div style="border: 1px solid black; height: 20px; width: 100%; margin-top: 5px;"></div>	<input type="checkbox"/>	<input type="checkbox"/>
4-3 Is the entity current in its debt service payments? If no, MUST explain: <div style="border: 1px solid black; height: 20px; width: 100%; margin-top: 5px;"></div>	<input type="checkbox"/>	<input type="checkbox"/>
4-4 Please complete the following debt schedule, if applicable: (please only include principal amounts)(enter all amount as positive numbers)		
	Outstanding at end of prior year*	Issued during year
General obligation bonds	\$ -	\$ -
Revenue bonds	\$ -	\$ -
Notes/Loans	\$ -	\$ -
Leases	\$ -	\$ -
Developer Advances	\$ -	\$ -
Other (specify):	\$ -	\$ -
TOTAL	\$ -	\$ -

\*must tie to prior year ending balance

Please answer the following questions by marking the appropriate boxes.

	Yes	No
4-5 Does the entity have any authorized, but unissued, debt?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
If yes: How much?	\$ 70,000,000.00	
Date the debt was authorized:	11/7/2006	
4-6 Does the entity intend to issue debt within the next calendar year?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes: How much?	\$ -	
4-7 Does the entity have debt that has been refinanced that it is still responsible for?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes: What is the amount outstanding?	\$ -	
4-8 Does the entity have any lease agreements?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes: What is being leased?		
What is the original date of the lease?		
Number of years of lease?		
Is the lease subject to annual appropriation?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
What are the annual lease payments?	\$ -	

Please use this space to provide any explanations or comments:

## PART 5 - CASH AND INVESTMENTS

Please provide the entity's cash deposit and investment balances.

	Amount	Total
5-1 YEAR-END Total of ALL Checking and Savings Accounts	\$ -	
5-2 Certificates of deposit	\$ -	
<b>Total Cash Deposits</b>		\$ -
Investments (if investment is a mutual fund, please list underlying investments):		
	\$ -	
	\$ -	
	\$ -	
	\$ -	
<b>Total Investments</b>		\$ -
<b>Total Cash and Investments</b>		\$ -

Please answer the following questions by marking in the appropriate boxes

	Yes	No	N/A
5-4 Are the entity's Investments legal in accordance with Section 24-75-601, et. seq., C.R.S.?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5-5 Are the entity's deposits in an eligible (Public Deposit Protection Act) public depository (Section 11-10.5-101, et seq. C.R.S.)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

If no, MUST use this space to provide any explanations:

## PART 6 - CAPITAL ASSETS

Please answer the following questions by marking in the appropriate boxes.

Yes                      No

- 6-1 Does the entity have capital assets?  Yes       No
- 6-2 Has the entity performed an annual inventory of capital assets in accordance with Section 29-1-506, C.R.S.,? If no, MUST explain:  Yes       No

Complete the following capital assets table:	Balance - beginning of the year*	Additions (Must be included in Part 3)	Deletions	Year-End Balance
Land	\$ -	\$ -	\$ -	\$ -
Buildings	\$ -	\$ -	\$ -	\$ -
Machinery and equipment	\$ -	\$ -	\$ -	\$ -
Furniture and fixtures	\$ -	\$ -	\$ -	\$ -
Infrastructure	\$ -	\$ -	\$ -	\$ -
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
Other (explain):	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation	\$ -	\$ -	\$ -	\$ -
<b>TOTAL</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

Please use this space to provide any explanations or comments:

## PART 7 - PENSION INFORMATION

Please answer the following questions by marking in the appropriate boxes.

Yes                      No

- 7-1 Does the entity have an "old hire" firefighters' pension plan?  Yes       No
- 7-2 Does the entity have a volunteer firefighters' pension plan?  Yes       No
- If yes: Who administers the plan?  Yes       No

Indicate the contributions from:

Tax (property, SO, sales, etc.):	\$ -
State contribution amount:	\$ -
Other (gifts, donations, etc.):	\$ -
<b>TOTAL</b>	<b>\$ -</b>
What is the monthly benefit paid for 20 years of service per retiree as of Jan 1?	\$ -

Please use this space to provide any explanations or comments:

## PART 8 - BUDGET INFORMATION

Please answer the following questions by marking in the appropriate boxes.

Yes                      No                      N/A

- 8-1 Did the entity file a budget with the Department of Local Affairs for the current year in accordance with Section 29-1-113 C.R.S.?  Yes       No       N/A
- 8-2 Did the entity pass an appropriations resolution, in accordance with Section 29-1-108 C.R.S.? If no, MUST explain:  Yes       No       N/A

If yes: Please indicate the amount budgeted for each fund for the year reported:

Governmental/Proprietary Fund Name	Total Appropriations By Fund

## PART 9 - TAXPAYER'S BILL OF RIGHTS (TABOR)

Please answer the following question by marking in the appropriate box

- |     |   | Yes                                 | No                       |
|-----|---|-------------------------------------|--------------------------|
| 9-1 | <b>Is the entity in compliance with all the provisions of TABOR [State Constitution, Article X, Section 20(5)]?</b><br><small>Note: An election to exempt the government from the spending limitations of TABOR does not exempt the government from the 3 percent emergency reserve requirement. All governments should determine if they meet this requirement of TABOR.</small> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

If no, MUST explain:

## PART 10 - GENERAL INFORMATION

Please answer the following questions by marking in the appropriate boxes.

- |         |   | Yes                      | No                                  |
|---------|---|--------------------------|-------------------------------------|
| 10-1    | <b>Is this application for a newly formed governmental entity?</b>  | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| If yes: | Date of formation: <input style="width: 450px;" type="text"/>       |                          |                                     |
| 10-2    | <b>Has the entity changed its name in the past or current year?</b> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

If yes: Please list the NEW name & PRIOR name:

- |      |   |                                     |                          |
|------|---|-------------------------------------|--------------------------|
| 10-3 | <b>Is the entity a metropolitan district?</b> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
|------|---|-------------------------------------|--------------------------|

Please indicate what services the entity provides:

- |      |   |                          |                                     |
|------|---|--------------------------|-------------------------------------|
| 10-4 | <b>Does the entity have an agreement with another government to provide services?</b> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|------|---|--------------------------|-------------------------------------|

If yes: List the name of the other governmental entity and the services provided:

- |      |  |                          |                                     |
|------|--|--------------------------|-------------------------------------|
| 10-5 | <b>Has the district filed a <i>Title 32, Article 1 Special District Notice of Inactive Status</i> during</b> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|------|--|--------------------------|-------------------------------------|

If yes: Date Filed:

- |      |  |                          |                                     |
|------|--|--------------------------|-------------------------------------|
| 10-6 | <b>Does the entity have a certified Mill Levy?</b> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|------|--|--------------------------|-------------------------------------|

If yes:

Please provide the following mills levied for the year reported (do not report \$ amounts):

Bond Redemption mills	-
General/Other mills	-
<b>Total mills</b>	-

Please use this space to provide any explanations or comments:

The District has the power to provide for the acquisition, construction, installation, and completion of street improvements, parks and recreation improvements, potable and non-potable water improvements, sanitation improvements, transportation improvements, mosquito control improvements, safety protection improvements, fire protection improvements, and television relay and translation improvements. The District currently does not provide any services.

## PART 11 - GOVERNING BODY APPROVAL

Please answer the following question by marking in the appropriate box

YES

NO

12-1 If you plan to submit this form electronically, have you read the new Electronic Signature Policy?  YES  NO

### Office of the State Auditor — Local Government Division - Exemption Form Electronic Signatures Policy and Procedure

#### Policy - Requirements

The Office of the State Auditor Local Government Audit Division may accept an electronic submission of an application for exemption from audit that includes governing board signatures obtained through a program such as DocuSign or EchoSign. Required elements and safeguards are as follows:

- The preparer of the application is responsible for obtaining board signatures that comply with the requirement in Section 29-1-604 (3), C.R.S., that states the application shall be personally reviewed, approved, and signed by a majority of the members of the governing body.
- The application must be accompanied by the signature history document created by the electronic signature software. The signature history document must show when the document was created and when the document was emailed to the various parties, and include the dates the individual board members signed the document. The signature history must also show the individuals' email addresses and IP address.
- Office of the State Auditor staff will not coordinate obtaining signatures.

**The application for exemption from audit form created by our office includes a section for governing body approval. Local governing boards note their approval and submit the application through one of the following three methods:**

- 1) Submit the application in hard copy via the US Mail including original signatures.
- 2) Submit the application electronically via email and either,
  - a. Include a copy of an adopted resolution that documents formal approval by the Board, or
  - b. Include electronic signatures obtained through a software program such as DocuSign or EchoSign in accordance with the requirements noted above.



Print the names of ALL members of current governing body below. Print Board Member's Name		A MAJORITY of the members of the governing body must complete and sign in the column below.
Board Member 1	Daniel Frank	I <u>Daniel Frank</u> , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed <u>[Signature]</u> Date: <u>04 / 01 / 2022</u> My term Expires: <u>May 2022</u>
Board Member 2	Richard A. Frank	I <u>Richard A. Frank</u> , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed <u>richard a. frank</u> Date: <u>03 / 31 / 2022</u> My term Expires: <u>May 2022</u>
Board Member 3	Marc Cooper	I <u>Marc Cooper</u> , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed <u>[Signature]</u> Date: <u>04 / 01 / 2022</u> My term Expires: <u>May 2022</u>
Board Member 4		I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 5		I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 6		I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 7		I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____

**REVENUE PLEDGE AGREEMENT**

This **REVENUE PLEDGE AGREEMENT** (this “Agreement”) is entered into on this \_\_\_\_ day of \_\_\_\_\_ 2022 by and between **HARVEST CROSSING DISTRICT NO. 3**, in the City of Aurora, Arapahoe County, Colorado (“District No. 3”), a quasi-municipal corporation and political subdivision of the State of Colorado and **HARVEST CROSSING DISTRICT NO. 4**, in the City of Aurora, Arapahoe County, Colorado (the “Issuing District”), a quasi-municipal corporation and political subdivision of the State of Colorado. All capitalized terms used herein and not otherwise defined shall have the meanings assigned them in Article I hereof.

**RECITALS**

WHEREAS, District No. 3 and the Issuing District (collectively, the “Districts”) are metropolitan districts duly organized and existing under the Colorado Constitution and other laws of the State of Colorado, including particularly Title 32, Article 1, C.R.S. (the “Special District Act”); and

WHEREAS, the Service Plan for District No. 3 was approved by the City Council of the City pursuant to a resolution adopted on July 24, 2006 (as more particularly defined in Section 1 hereof, the “District No. 3 Service Plan”); and

WHEREAS, the Service Plan for the Issuing District was approved by the City Council of the City of Aurora, Colorado (the “City Council” and the “City,” respectively) pursuant to a resolution adopted on \_\_\_\_\_ (as more particularly defined in Section 1 hereof, the “Issuing District Service Plan” and, together with the District No. 3 Service Plan, the “Service Plans”); and

WHEREAS, the Districts are authorized by the Special District Act to furnish certain public facilities and services, including street, park and recreation, water, sanitation/storm sewer, transportation, mosquito control, safety protection, fire protection, television relay and translation, and security improvements and facilities within and without the boundaries of the Districts, subject to the provisions of their respective Service Plans; and

WHEREAS, at an election of District No. 3 duly held on November 7, 2006 in accordance with law and pursuant to due notice (the “District No. 3 Election”), a majority of those eligible to vote and voting at the District No. 3 Election voted in favor of, *inter alia*, the issuance of general obligation indebtedness and the imposition of taxes for the payment thereof, for the purpose of providing certain improvements and refunding outstanding obligations; and

WHEREAS, at an election of the Issuing District duly held on \_\_\_\_\_ in accordance with law and pursuant to due notice (the “Issuing District Election”), a majority of those eligible to vote and voting at the Issuing District Election voted in favor of, *inter alia*, the issuance of general obligation indebtedness and the imposition of taxes for the payment thereof, for the purpose of providing certain improvements and refunding outstanding obligations; and

WHEREAS, the Board of Directors of District No. 3 (the “District No. 3 Board”) has previously determined that it was necessary to pay the costs of acquiring, constructing, and installing public improvements and facilities, the debt for which was approved by the District No. 3 Election (the “District No. 3 Project”); and

WHEREAS, for the purpose of financing the District No. 3 Project, the District No. 3 Board previously determined that it was in the best interests of District No. 3 and its inhabitants, residents and taxpayers, that the District No. 3 Project be financed by the issuance of bonds, and that for such purpose District No. 3 shall issue its Limited Tax General Obligation Bonds, Series 2021A<sub>(3)</sub>, in the aggregate principal amount of \$12,358,000 (the “District No. 3 Bonds”); and

WHEREAS, the District No. 3 Bonds were issued on December 9, 2021 pursuant to an Indenture of Trust dated December 9, 2021 between District No. 3 and UMB Bank, n.a., as trustee (the “District No. 3 Bond Indenture”); and

WHEREAS, the Board of Directors of the Issuing District (the “Issuing District Board”) has determined that it is necessary to pay the costs of acquiring, constructing, and installing public improvements and facilities, the debt for which was approved by the Issuing District Election (the “Issuing District Project”); and

WHEREAS, for the purpose of financing a portion of the Issuing District Project, the Issuing District Board has determined that it in the best interests of the Issuing District and its inhabitants, residents and taxpayers that the Issuing District Project be financed by the issuance of bonds, and that for such purpose the Issuing District shall issue its Limited Tax General Obligation Bonds, Series 2022A<sub>(3)</sub>, in the aggregate principal amount of \$[2022 BOND PAR] (the “Issuing District Series 2022 Bonds”), to be issued concurrently with the execution and delivery of this Agreement; and

WHEREAS, the construction, acquisition and installation of the District No. 3 Project provides benefits to the inhabitants, residents and taxpayers of the Issuing District, and the construction, acquisition and installation of the Issuing District Project provides benefits to the inhabitants, residents and taxpayers of District No. 3; and

WHEREAS, in order to finance such common benefits, the Issuing District has agreed to increase the principal amount of the Issuing District Series 2022 Bonds and, in exchange therefor, District No. 3 has agreed to pledge certain of its revenue to the repayment thereof and of all other Issuing District Bonds issued hereafter, but only after such time as the District No. 3 Bonds are no longer outstanding; and

WHEREAS, pursuant to the Colorado Constitution Article XIV, Section 18(2)(a), and Section 29-1-203, C.R.S., the Districts may cooperate or contract with each other to provide any function, service or facility lawfully authorized to each, and any such contract may provide for the sharing of costs, the imposition and collection of taxes, and the incurring of debt; and

WHEREAS, pursuant to the Authorizing Resolution adopted by the District No. 3 Board, District No. 3 has allocated voted debt authorization to this Agreement from the District No. 3 Election to the voted categories as shown therein; and

WHEREAS, District No. 3 desires to enter into this Agreement for the purpose of providing ad valorem property tax revenue derived from the taxable property of District No. 3 (and specific ownership tax revenue allocable thereto) in order to pay a portion of the debt service on Issuing District Bonds, and the Issuing District desires to increase the principal amount of Issuing District Bonds in exchange for such promise of District No. 3 to impose taxes and the pledge of District No. 3 of the revenue derived therefrom (and specific ownership tax revenue allocable thereto) to the Issuing District for purposes of paying a portion of the debt service on Issuing District Bonds.

## COVENANTS

NOW, THEREFORE, for and in consideration of the promises and the mutual covenants and stipulations herein, the parties hereby agree as follows:

## ARTICLE I

### DEFINITIONS

**Section 1.01. Interpretation.** In this Agreement, unless the context expressly indicates otherwise, the words defined below shall have the meanings set forth below:

(a) The terms “herein,” “hereunder,” “hereby,” “hereto,” “hereof” and any similar terms, refer to this Agreement as a whole and not to any particular article, section, or subdivision hereof; the term “heretofore” means before the date of execution of the Agreement; and the term “hereafter” means after the date of execution of this Agreement.

(b) All definitions, terms, and words shall include both the singular and the plural, and all capitalized words or terms shall have the definitions set forth in Section 1.02 hereof.

(c) Words of the masculine gender include correlative words of the feminine and neuter genders, and words importing the singular number include the plural number and vice versa.

(d) The captions or headings of this Agreement are for convenience only, and in no way define, limit, or describe the scope or intent of any provision, article, or section of this Agreement.

(e) All schedules, exhibits, and addenda referred to herein are incorporated herein by this reference.

**Section 1.02. Definitions.** As used herein, unless the context expressly indicates otherwise, the words defined below and capitalized throughout the text of this Agreement shall

have the respective meanings set forth below. Capitalized terms used and not otherwise defined herein shall have the respective meanings assigned them in the Indenture.

“*Agreement*” means this Agreement, as the same may be modified or supplemented from time to time in accordance with the provisions hereof.

“*Authorizing Resolution*” means the resolution adopted by the District No. 3 Board on \_\_\_\_\_, 2022 authorizing the execution and delivery of this Agreement and the performance by District No. 3 hereunder.

“*Board of County Commissioners*” means the Board of County Commissioners for Arapahoe County, Colorado.

“*City*” means the City of Aurora, Colorado.

“*City Council*” means the City Council of the City, being the governing body thereof.

“*Commencement Date*” means the earlier to occur of: (a) the date on which the District No. 3 Bonds are fully paid or (b) the District No. 3 Bond Termination Date.

“*County*” means Arapahoe County, Colorado.

“*County Treasurer*” means the Treasurer of Arapahoe County, Colorado.

“*C.R.S.*” means the Colorado Revised Statutes, as amended and supplemented as of the date hereof.

“*District No. 3*” means Harvest Crossing Metropolitan District No. 3, in the City of Aurora, Arapahoe County, Colorado (*formerly known as Villages at Murphy Creek Metropolitan District No. 1*), and its successors and assigns.

“*District No. 3 Additional Bonds*” means, collectively, all of the following: (a) the obligations defined as “Additional Bonds” in Section 1.01 of the District No. 3 Bond Indenture; (b) the obligations defined as “Permitted Refunding Bonds” in Section 1.01 of the District No. 3 Bond Indenture; and (c) any other obligations, whether such obligations are subject to annual appropriation or constitute multiple fiscal year obligations, payable from, in whole or in part, or secured by a lien or encumbrance on the District No. 3 Pledged Revenue or any portion thereof. *For avoidance of doubt*, any obligation issued under Section 4.04 of the District No. 3 Bond Indenture constitutes a “District No. 3 Additional Bond” hereunder and the provisions of this agreement supersede the provisions of such Section 4.04.

“*District No. 3 Board*” means the Board of Directors of District No. 3, being the governing body thereof.

“*District No. 3 Bond Final Maturity Date*” means December 1, 2051.

“*District No. 3 Bond Indenture*” means the Indenture of Trust dated December 9, 2021 between District No. 3 and UMB Bank, n.a., as trustee thereunder.

“*District No. 3 Bond Termination Date*” means December 2, 2061.

“*District No. 3 Bonds*” means the Limited Tax General Obligation Bonds, Series 2021A<sub>(3)</sub>, issued in the aggregate principal amount of \$12,358,000 on December 9, 2021 by District No. 3 pursuant to the District No. 3 Bond Indenture.

“*District No. 3 Debt Service Revenues*” means, collectively:

(a) all moneys derived from District No. 3 from its imposition of the District No. 3 Required Mill Levy, net of fees of the County Treasurer and any tax refunds or abatements authorized by or on behalf of the County; and

(b) the portion of the Specific Ownership Tax which is collected as a result of imposition of the District No. 3 Required Mill Levy.

“*District No. 3 Election*” means the election of District No. 3 duly held on November 7, 2006 in accordance with law and pursuant to due notice.

“*District No. 3 Project*” means the acquisition, construction and installation of public improvements and facilities, the debt for which was approved by the District No. 3 Election.

“*District No. 3 Required Mill Levy*” has the following meaning:

(a) Subject to paragraph (b) below, “District No. 3 Required Mill Levy” means an ad valorem mill levy (a mill being equal to 1/10 of 1 cent) imposed upon all taxable property of District No. 3 each year, commencing with the tax levy year in which the Commencement Date occurs, in the amount of 50.000 mills, or such lesser mill levy which, when combined with the Issuing District Pledged Revenue expected to be derived in the corresponding tax collection year (as determined by the Issuing District), will fund an amount sufficient to pay all of the principal of, premium, if any, and interest on the Issuing District Bonds in full; *provided, however*, that if, on or after January 1, 2004, there are or were changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement, such mill levy shall be increased or decreased to reflect such changes, such increases or decreases to be determined by the Board in good faith (such determination to be binding and final) so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted, are neither diminished nor enhanced as a result of such changes. For purposes of the foregoing, a change in the ratio of actual valuation shall be deemed to be a change in the method of calculating assessed valuation.

(b) Notwithstanding anything herein to the contrary, in no event may the District No. 3 Required Mill Levy be established at a mill levy which would constitute a material departure from the requirements of the Service Plan, or cause District No. 3 to derive tax revenue in any year in excess of the maximum tax increases permitted by District No. 3’s electoral authorization, and if the District No. 3 Required Mill Levy as calculated pursuant to the foregoing would cause the amount of taxes collected in any year to exceed the maximum tax increase permitted by District No. 3’s electoral authorization or create a material departure from the Service Plan, the District No. 3

Required Mill Levy shall be reduced to the point that such maximum tax increase is not exceeded and no material departure from the Service Plan occurs.

“*District No. 3 Service Plan*” means the Service Plan for Villages at Murphy Creek Metropolitan District No. 1 (now known as Harvest Crossing Metropolitan District No. 3) approved by the City Council of the City pursuant to a resolution adopted on July 24, 2006, as the same may be amended from time to time in accordance with the provisions thereof.

“*Effective Date*” means the date of issuance of the Issuing District Bonds, being the effective date of this Agreement. *For avoidance of doubt*, while District No. 3’s obligation to impose the District No. 3 Required Mill Levy shall not commence until the tax levy year in which the Commencement Date occurs and thus the Payment Obligation of District No. 3 shall not commence until the corresponding tax collection year, all of the other provisions of this Agreement and the covenants and obligations of District No. 3 hereunder shall be in full force and effect on the Effective Date.

“*Issuing District*” means Harvest Crossing Metropolitan District No. 4, in the City of Aurora, Arapahoe County, Colorado (*formerly known as* Villages at Murphy Creek Metropolitan District No. \_\_\_), and its successors and assigns.

“*Issuing District Additional Senior Bonds*” means any issue of Senior Bonds as defined in Section 1.01 of the Issuing District Series 2022 Bond Indenture (other than the Issuing District Series 2022 Bonds) issued by the Issuing District after the Effective Date.

“*Issuing District Board*” means the Board of Directors of the Issuing District, being the governing body thereof.

“*Issuing District Bond Indenture*” means (a) with respect to the Issuing District Series 2022 Bonds, such term means the Issuing District Series 2022 Bond Indenture and (b) with respect to any other Issuing District Bonds, means the indenture, resolution, loan agreement or other instrument pursuant to which such Issuing District Bonds are issued and governed.

“*Issuing District Bonds*” means, collectively: (a) the Issuing District Series 2022 Bonds; (b) all Issuing District Permitted Refunding Bonds (if any); (c) all Issuing District Subordinate Bonds (if any); and (d) all Issuing District Additional Senior Bonds (if any).

“*Issuing District Election*” means the election of the Issuing District duly held on \_\_\_\_\_ in accordance with law and pursuant to due notice.

“*Issuing District Permitted Refunding Bonds*” means any issue of Permitted Refunding Bonds as defined in Section 1.01 of the Issuing District Series 2022 Bond Indenture issued by the Issuing District after the Effective Date.

“*Issuing District Pledged Revenue*” means: (a) with respect to the Issuing District Series 2022 Bonds, such term has the meaning assigned to the defined term “Pledged Revenue” in Section 1.01 of the Issuing District Series 2022 Bond Indenture, and (b) with respect to any other Issuing District Bonds, means the revenue pledged to the applicable Issuing District Bonds pursuant to the applicable Issuing District Bond Indenture.

“*Issuing District Project*” means the acquisition, construction and installation of public improvements and facilities, the debt for which was approved at the Issuing District Election.

“*Issuing District Series 2022 Bond Indenture*” means the Indenture of Trust dated as of the date of issuance of the Issuing District Series 2022 Bonds between the Issuing District and the Issuing District Series 2022 Bond Trustee, as the same may from time to time be modified or supplemented in accordance with the provisions thereof.

“*Issuing District Series 2022 Bond Trustee*” means the Trustee, in its capacity as the trustee, bond registrar and paying agent under the Issuing District Series 2022 Bond Indenture.

“*Issuing District Series 2022 Bonds*” means the Limited Tax General Obligation Bonds, Series 2022A<sub>(3)</sub>, issued by the Issuing District in the aggregate principal amount of \$[2022 BOND PAR] pursuant to the Issuing District Series 2022 Bond Indenture.

“*Issuing District Service Plan*” means the Service Plan for Villages at Murphy Creek Metropolitan District No. \_\_\_ (now known as Harvest Crossing Metropolitan District No. 4) approved by the City Council of the City pursuant to a resolution adopted on \_\_\_\_\_, as the same may be amended from time to time in accordance with the provisions thereof.

“*Issuing District Subordinate Bonds*” means any issue of Subordinate Bonds as defined in Section 1.01 of the Issuing District Series 2022 Bond Indenture issued by the Issuing District after the Effective Date.

“*Outstanding*” means (a) with respect to the Issuing District Series 2022 Bonds, such term has the meaning assigned to such term in Section 1.01 of the Issuing District Series 2022 Bond Indenture and (b) with respect to any other Issuing District Bonds, such term has the meaning assigned thereto (or any similar defined term) in the applicable Issuing District Bond Indenture.

“*Payment Obligation*” has the meaning set forth in Section 2.02(c) hereof.

“*Pledge Agreement Termination Date*” means the date on which no Issuing District Bond remains Outstanding under any and all Issuing District Bond Indentures.

“*Service Plan*” or “*Service Plans*” means, in the singular tense, any one of the District No. 3 Service Plan or the Issuing District Service Plan, as the context requires, and, in the plural tense, means both of the District No. 3 Service Plan and the Issuing District Service Plan.

“*Special District Act*” means Title 32, Article 1, C.R.S., as amended.

“*Specific Ownership Tax*” means the specific ownership taxes collected by the County and remitted to District No. 3 pursuant to Section 42-3-107, C.R.S., or any successor statute.

“*Supplemental Act*” means the “Supplemental Public Securities Act,” being Title 11, Article 57, Part 2, Colorado Revised Statutes, as amended.



“*Tax Certificate*” means the certificate to be signed by the Issuing District relating to the requirements of Sections 103 and 141-150 of the Internal Revenue Code of 1986, as amended and in effect as of any applicable date, in connection with the issuance or reissuance of Issuing District Bonds.

“*Trustee*” means UMB Bank, n.a., Denver, Colorado, in its capacity as trustee under the Issuing District Series 2022 Bond Indenture and, in addition, in its capacity as trustee for any other issue of Issuing District Bonds, or any successor trustee, appointed, qualified, and acting as trustee, paying agent, and bond registrar under the provisions of the applicable Issuing District Bond Indenture.

## ARTICLE II

### PAYMENT OBLIGATION

#### **Section 2.01. Electoral Authorization.**

(a) The authorization for taxation, issuance of debt, multiple fiscal year financial obligations, and other constitutional matters requiring voter approval for purposes of this Agreement was obtained pursuant to the District No. 3 Election. The performance by District No. 3 of its obligations under this Agreement requires no further electoral approval.

(b) In no event shall the total or annual obligations of District No. 3 hereunder exceed the maximum amounts permitted under the District No. 3 Election. Upon payment by District No. 3 hereunder of the maximum amounts authorized by the District No. 3 Election, the obligations of District No. 3 under this Agreement will be deemed defeased and no longer outstanding.

#### **Section 2.02. Limited Tax General Obligation; Payment Obligation.**

(a) The obligations of District No. 3 under this Agreement constitute limited tax general obligations of District No. 3.

(b) District No. 3 shall impose its District No. 3 Required Debt Service Mill Levy as provided in Sections 2.04 hereof.

(c) For the purposes of providing revenue to the Issuing District to fund the repayment of Issuing District Bonds issued by the Issuing District, District No. 3 shall transfer or cause to be transferred to or at the direction of the Issuing District all District No. 3 Debt Service Revenues as soon as practicable after the receipt thereof (the “Payment Obligation”).

**Section 2.03. Prepayment Prohibited.** Because the actual dollar amount of District No. 3’s obligations hereunder cannot be ascertained with any certainty at any time, District No. 3 shall not be permitted at any time to prepay its obligations hereunder.

**Section 2.04. Imposition of District No. 3 Required Mill Levy.** Commencing with the tax levy year in which the Commencement Date occurs and, subject to the limitations of the Maximum Mill Levy Imposition Term to the extent it applies to taxable property of District No. 3, continuing through and including the year in which the Pledge Agreement Termination Date occurs:

(a) District No. 3 covenants and agrees to levy or cause to be levied on all of the taxable property of District No. 3, in addition to all other taxes, direct annual taxes in each year in the amount of the District No. 3 Required Mill Levy. Nothing herein shall be construed to require District No. 3 to impose a debt service mill levy which is (i) in excess of the District No. 3 Required Mill Levy or (ii) in contravention of the Maximum Mill Levy Imposition Term.

(b) The foregoing provisions of this Agreement are hereby declared to be the certificate of the District No. 3 Board to the Board of County Commissioners (and any other board or boards of county commissioners of each county in which taxable real or personal property of District No. 3 is located) showing the aggregate amount of taxes to be levied by District No. 3 from time to time, as required by law, for the purpose of satisfying its Paying Obligation hereunder.

(c) The amounts derived from performance of District No. 3 of its obligations hereunder are hereby appropriated for the purpose of paying such amounts to the Issuing District for the purpose of paying Issuing District Bonds, and such amounts as appropriate for each year shall also be included in the annual budget and the appropriation bills to be adopted and passed by the District No. 3 Board in each year, respectively.

(d) It shall be the duty of the District No. 3 Board, annually, at the time and in the manner provided by law for levying other District No. 3 taxes, to ratify and carry out the provisions hereof with reference to the levying and collection of taxes; and the District No. 3 Board shall levy, certify, and collect said taxes in the manner provided by law for the purposes aforesaid.

(e) Said taxes shall be levied, assessed, collected, and enforced at the time and in the form and manner and with like interest and penalties as other general taxes in the State of Colorado, and when collected said taxes shall be paid to District No. 3 as provided by law, and District No. 3 shall pay such amounts to the Issuing District as provided herein.

(f) The District No. 3 Board shall take all necessary and proper steps to enforce promptly the payment of taxes levied pursuant to this Agreement.

**Section 2.05. Payment of District No. 3 Debt Service Revenues.**

(a) District No. 3 hereby agrees to remit to or at the direction of the Issuing District, as soon as is practicable upon the receipt thereof, all amounts constituting District No. 3 Debt Service Revenues.

(b) All amounts payable by District No. 3 hereunder shall be paid in lawful money of the United States of America by check mailed or delivered, or by wire transfer, to the Issuing District. Alternatively, the Issuing District may direct District No. 3 in writing to pay such amounts directly to the Trustee and, if so directed, amounts paid by District No. 3 to the Trustee shall be deemed, for purposes of this Agreement, to be paid to the Issuing District.

(c) The Issuing District shall apply or cause to be applied all District No. 3 Debt Service Revenues remitted to or at the direction of the Issuing District to the payment of Issuing District Bonds.

#### **Section 2.06. No Impairment of Obligations.**

(a) No provisions of any constitution, statute, resolution or other order or measure enacted after the Effective Date of this Agreement shall in any manner be construed as limiting or impairing the obligation of District No. 3 to levy ad valorem property taxes, or as limiting or impairing the obligation of District No. 3 to levy, administer, enforce and collect the ad valorem property taxes as provided herein, or as limiting or impairing the obligation of District No. 3 to transfer all District No. 3 Debt Service Revenues to or at the direction of the Issuing District.

(b) In addition, and without limiting the generality of the foregoing Section 2.06(a), the obligations of District No. 3 to transfer funds to or at the direction of the Issuing District as provided herein shall survive any court determination of the invalidity of this Agreement as a result of a failure, or alleged failure, of any of the directors of District No. 3 to properly disclose, pursuant to State law, any potential conflicts of interest related hereto in any way, provided that such disclosure is made on the record of meetings of District No. 3 as set forth in its official minutes.

**Section 2.07. Limited Defenses; Specific Performance.** District No. 3 understands and agrees that its obligations hereunder are absolute, irrevocable, and unconditional except as specifically stated herein, and District No. 3 agrees that notwithstanding any fact, circumstance, dispute, or any other matter, it will not assert any rights of setoff, counterclaim, estoppel, or other defenses to its Payment Obligation, or take or fail to take any action which would delay a payment to, or on behalf of, the Issuing District, or impair the ability of the Issuing District or its designated agent to receive transfers of District No. 3 Debt Service Revenues payable hereunder. Notwithstanding that this Agreement specifically prohibits and limits defenses and claims of District No. 3, in the event that District No. 3 believes that it has valid defenses, setoffs, counterclaims, or other claims other than specifically permitted by this Section 2.07, it shall, nevertheless, make all transfers of District No. 3 Debt Service Revenues as described herein and then may attempt or seek to recover such revenue or portions thereof by actions at law or in equity for damages or specific performance, respectively.

## ARTICLE III

### REPRESENTATIONS AND WARRANTIES.

**Section 3.01. Representations and Warranties of District No. 3.** District No. 3 hereby makes the following representations and warranties:

(a) District No. 3 is a quasi-municipal corporation and political subdivision duly organized and validly existing under the laws of the State of Colorado.

(b) District No. 3 has all requisite corporate power and authority to execute, deliver, and to perform its obligations under this Agreement. District No. 3's execution, delivery, and performance of this Agreement have been duly authorized by all necessary action.

(c) District No. 3 is not in violation of any of the applicable provisions of law or any order of any court having jurisdiction in the matter, which violation could reasonably be expected to materially adversely affect the ability of District No. 3 to perform its obligations hereunder. The execution, delivery and performance by District No. 3 of this Agreement: (i) will not violate any provision of any applicable law or regulation or of any order, writ, judgment or decree of any court, arbitrator, or governmental authority, (ii) will not violate any provision of any document or agreement constituting, regulating, or otherwise affecting the operations or activities of District No. 3 in a manner that could reasonably be expected to result in a material adverse effect on the ability of District No. 3 to perform its obligations hereunder or on the financial operations of District No. 3, and (iii) will not violate any provision of, constitute a default under, or result in the creation or imposition of any lien, mortgage, pledge, charge, security interest, or encumbrance of any kind on any of the revenues or other assets of District No. 3 pursuant to the provisions of any mortgage, indenture, contract, agreement, or other undertaking to which District No. 3 is a party or which purports to be binding upon District No. 3 or upon any of its revenues or other assets which could reasonably be expected to result in a material adverse effect.

(d) District No. 3 has obtained all consents and approvals of and has made all registrations and declarations with any governmental authority or regulatory body required for the execution, delivery, and performance by District No. 3 of this Agreement.

(e) There is no action, suit, inquiry, investigation, or proceeding to which District No. 3 is a party, at law or in equity, before or by any court, arbitrator, governmental or other board, body, or official which is pending or, to the best knowledge of District No. 3 threatened, in connection with any of the transactions contemplated by this Agreement nor, to the best knowledge of District No. 3 is there any basis therefor, wherein an unfavorable decision, ruling, or finding could reasonably be expected to have a material adverse effect on the validity or enforceability of, or the authority or ability of District No. 3 to perform its obligations under, this Agreement.

(f) This Agreement constitutes the legal, valid, and binding obligation of District No. 3, enforceable against District No. 3 in accordance with its terms (except as such enforceability may be limited by bankruptcy, moratorium, or other similar laws affecting creditors' rights generally and provided that the application of equitable remedies is subject to the application of equitable principles).

**Section 3.02. Representations and Warranties of the Issuing District.** The Issuing District hereby makes the following representations and warranties:

(a) The Issuing District is a quasi-municipal corporation and political subdivision duly organized and validly existing under the laws of the State of Colorado.

(b) The Issuing District has all requisite corporate power and authority to execute, deliver, and to perform its obligations under this Agreement. The District's execution, delivery, and performance of this Agreement have been duly authorized by all necessary action.

(c) The Issuing District is not in violation of any of the applicable provisions of law or any order of any court having jurisdiction in the matter, which violation could reasonably be expected to materially adversely affect the ability of the Issuing District to perform its obligations hereunder. The execution, delivery and performance by the Issuing District of this Agreement (i) will not violate any provision of any applicable law or regulation or of any order, writ, judgment or decree of any court, arbitrator, or governmental authority, (ii) will not violate any provision of any document or agreement constituting, regulating, or otherwise affecting the operations or activities of the Issuing District in a manner that could reasonably be expected to result in a material adverse effect, and (iii) will not violate any provision of, constitute a default under, or result in the creation or imposition of any lien, mortgage, pledge, charge, security interest, or encumbrance of any kind on any of the revenues or other assets of the Issuing District pursuant to the provisions of any mortgage, indenture, contract, agreement, or other undertaking to which the Issuing District is a party or which purports to be binding upon the Issuing District or upon any of its revenues or other assets which could reasonably be expected to result in a material adverse effect.

(d) The Issuing District has obtained all consents and approvals of, and has made all registrations and declarations with any governmental authority or regulatory body required for the execution, delivery, and performance by the Issuing District of this Agreement.

(e) There is no action, suit, inquiry, investigation, or proceeding to which the Issuing District is a party, at law or in equity, before or by any court, arbitrator, governmental or other board, body, or official which is pending or, to the best knowledge of the Issuing District threatened, in connection with any of the transactions contemplated by this Agreement nor, to the best knowledge of the Issuing District is there any basis therefor, wherein an unfavorable decision, ruling, or finding could reasonably be expected to have a material adverse effect on the validity or enforceability of, or the

authority or ability of the Issuing District to perform its obligations under, this Agreement.

(f) This Agreement constitutes the legal, valid, and binding obligation of the Issuing District, enforceable against the Issuing District in accordance with its terms (except as such enforceability may be limited by bankruptcy, moratorium, or other similar laws affecting creditors' rights generally and provided that the application of equitable remedies is subject to the application of equitable principles).

## ARTICLE IV

### COVENANTS OF DISTRICT NO. 3.

**Section 4.01. Further Assurances.** District No. 3 hereby covenants that 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 its respective obligations hereunder.

**Section 4.02. Continued Existence and Operations.** District No. 3 will maintain its existence and shall not merge or otherwise alter its corporate structure in any manner or to any extent as might reduce the security provided for the payment of the Issuing District Bonds and will continue to operate and manage District No. 3 and its facilities in an efficient and economical manner in accordance with all applicable laws, rules, and regulations.

**Section 4.03. Annual Audit and Budget.** At least once a year, District No. 3 will either cause an audit to be performed of the records relating to its revenues and expenditures or, if applicable under State statute, will apply for an audit exemption, and District No. 3 shall use its best efforts to have such audit report or application for audit exemption completed no later than September 30 of each calendar year. The foregoing covenant will apply notwithstanding any different time requirements for the completion of such audit or application for audit exemption under State law. In addition, at least once a year in the time and manner provided by law, District No. 3 will cause a budget to be prepared and adopted. Copies of the budget and the audit or audit exemption will be filed and recorded in the places, time, and manner provided by law.

**Section 4.04. Insurance.** District No. 3 will carry general liability coverage, worker's compensation, public liability, and such other forms of insurance on insurable District property upon the terms and conditions, and issued by recognized insurance companies, as in the judgment of District No. 3, would ordinarily be carried by entities having similar properties of equal value, such insurance being in such amounts as will protect District No. 3 and its operations.

**Section 4.05. District Funds.** Each District No. 3 official or other person having custody of any District No. 3 funds or responsible for the handling of such funds shall be bonded or insured against theft or defalcation at all times.

**Section 4.06. Unpaid Ad Valorem Taxes.** In the event any ad valorem taxes derived from imposition of the District No. 3 Required Mill Levy are not paid when due, District No. 3

shall diligently cooperate with the County Treasurer (or other appropriate county treasurer, if any) to enforce the lien of such unpaid taxes against the property for which the taxes are owed.

**Section 4.07. Prohibition on District No. 3 Additional Bonds.** District No. 3 will not issue or cause to be issued any District No. 3 Additional Bonds. The provisions of this Section 2.13(e) supersede the provisions of Section 4.04 of the District No. 3 Bond Indenture and shall govern the restrictions against and limitations on the issuance of District No. 3 Additional Bonds. For avoidance of doubt, District No. 3 shall not issue or incur any obligations or enter into any agreements obligating District No. 3 to levy ad valorem property taxes for the payment thereof, to pay District No. 3 Debt Service Revenue or any portion thereof to any person other than the Issuing District (or as directed in writing by the Issuing District), or otherwise in conflict with the provisions of this Agreement.

**Section 4.08. Prohibition on Extension of Final Maturity Date.** District No. 3 will not extend nor consent to the extension of the District No. 3 Bond Final Maturity Date, or otherwise take any action or fail to take any action the result of which could result in an extension of the District No. 3 Bond Final Maturity Date.

**Section 4.09. Prohibition on Extension of Termination Date.** District No. 3 will not extend nor consent to the extension of the District No. 3 Bond Termination Date, or otherwise take any action or fail to take any action the result of which could result in an extension of the District No. 3 Bond Termination Date.

**Section 4.10. Continuing Disclosure Obligations.** District No. 3 agrees to use its commercially reasonable best efforts to assist the Issuing District in the provision of information on an ongoing basis concerning development occurring within the boundaries of District No. 3 in accordance with the requirements of any continuing disclosure obligations entered into by the Issuing District in connection with any Issuing District Bonds.

**Section 4.11. Tax Code Compliance.** District No. 3 agrees to comply on an ongoing basis with all of the requirements of any and all Tax Certificates relating to restrictions on the use of the facilities and property acquired and financed or refinanced with proceeds of Issuing District Bonds and located within the jurisdiction of District No. 3. District No. 3 agrees, promptly upon request by the Issuing District, to provide the Issuing District (or to any person as directed in writing by the Issuing District) with information necessary for the Issuing District to comply on an ongoing basis with the requirements of a Tax Certificate.

**Section 4.12. No Future Exclusion of Property.** The parties agree that this Agreement constitutes “indebtedness” as contemplated by Section 32-1-503, C.R.S., and, accordingly, any property excluded from District No. 3 after the date hereof is to remain liable for the imposition of the District No. 3 Required Mill Levy and payment of the District No. 3 Debt Service Revenue in accordance with the provisions hereof, to the same extent as such property otherwise remains liable for the debt of District No. 3, as provided in Section 32-1-503, C.R.S. In the event that any order providing for the exclusion of property from District No. 3 does not so provide and specifically indicate the liability of such excluded property for the obligations set forth herein, the Issuing District and District No. 3 hereby agree to take all actions reasonably necessary to cause the property owners of such proposed excluded property to covenant to

assume all responsibilities under this Agreement, which covenants shall run with the land and shall be in a form satisfactory to the Issuing District. Notwithstanding anything in this Section 4.10 to the contrary, a District may exclude property from its boundaries if, simultaneously with such exclusion, the other District concurrently includes the very same property within its boundaries. For clarification of the foregoing, the term “District” means the Issuing District and District No. 3, as applicable.

**Section 4.13. Covenants Regarding Service Plan.** District No. 3 shall not amend, modify, supplement or otherwise revise (or agree to the amendment, modification, supplement or revision of) its Service Plan if such amendment, modification, supplement or revision would:

- (a) alter the Maximum Mill Levy Imposition Term in a manner which would reduce (or could be interpreted as reducing) the Maximum Mill Levy Imposition Term applicable to District No. 3, or would otherwise reduce (or could be interpreted as reducing) the period during which District No. 3 is authorized to impose a debt service mill levy in accordance with the provisions hereof;
- (b) impair performance by District No. 3 of its covenants under this Agreement or weaken the nature of such covenants;
- (c) impede the ability of District No. 3 to comply with its obligations under this Agreement; or
- (d) require District No. 3 to engage in activities or refrain from activities that would diminish District No. 3’s obligations under this Agreement, reduce the amount of the District No. 3 Debt Service Revenues or delay the receipt thereof, or otherwise have a materially adverse effect on its obligations hereunder.

## ARTICLE V

### EVENTS OF DEFAULT AND REMEDIES

**Section 5.01. Events of Default.** The occurrence or existence of any one or more of the following events shall be an “Event of Default” hereunder, and there shall be no default or Event of Default hereunder except as provided in this Section:

- (a) District No. 3 fails or refuses to impose the District No. 3 Required Mill Levy or to remit the District No. 3 Debt Service Revenues as required by the terms of this Agreement;
- (b) any representation or warranty made by any party in this Agreement proves to have been untrue or incomplete in any material respect when made and which untruth or incompleteness would have a material adverse effect upon the other party;
- (c) any party fails in the performance of any other of its covenants in this Agreement, and such failure continues for thirty (30) days after written notice specifying such default and requiring the same to be remedied is given to any party hereto; or



(d) (i) any party shall commence any case, proceeding, or other action (A) under any existing or future law of any jurisdiction relating to bankruptcy, insolvency, reorganization, or relief of debtors, seeking to have an order for relief entered with respect to it or seeking to adjudicate it insolvent or a bankrupt or seeking reorganization, arrangement, adjustment, winding up, liquidation, dissolution, composition, or other relief with respect to it or its debts, or (B) seeking appointment of a receiver, trustee, custodian, or other similar official for itself or for any substantial part of its property, or any party shall make a general assignment for the benefit of its creditors; or (ii) there shall be commenced against any party any case, proceeding, or other action of a nature referred to in clause (i) and the same shall remain not dismissed within ninety (90) days following the date of filing; or (iii) there shall be commenced against any party any case, proceeding, or other action seeking issuance of a warrant of attachment, execution, distraint, or similar process against all or any substantial part of its property which results in the entry of an order for any such relief which shall not have been vacated, discharged, stayed, or bonded pending appeal within ninety (90) days from the entry thereof, or (iv) any party shall take action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in clause (i), (ii) or (iii) above; or (v) any party shall generally not, or shall be unable to, or shall admit in writing its inability to, pay its debts as they become due; or

(e) District No. 3 commences proceedings for dissolution or consolidation with another metropolitan district during the term of this Agreement.

**Section 5.02. Remedies for Events of Default.** Upon the occurrence and continuance of an Event of Default, any party may proceed to protect and enforce its rights against the party causing the Event of Default by mandamus or such other suit, action, or special proceedings in equity or at law, including an action for specific performance. In the event of any litigation or other proceeding to enforce any of the terms, covenants or conditions hereof, the prevailing party in such litigation or other proceeding shall obtain, as part of its judgment or award, its reasonable attorneys' fees and costs.

## ARTICLE VI

### MISCELLANEOUS

**Section 6.01. Pledge of District No. 3 Debt Service Revenue.** The creation, perfection, enforcement, and priority of the pledge of the District No. 3 Debt Service Revenues to secure payment of the Issuing District Bonds shall be governed by Section 11-57-208 of the Supplemental Act and this Agreement. The District No. 3 Debt Service Revenues shall immediately be subject to the lien of such pledge without any physical delivery, filing, or further act. The lien of such pledge shall be valid, binding, and enforceable as against all persons having claims of any kind in tort, contract, or otherwise against District No. 3 or the Issuing District irrespective of whether such persons have notice of such liens.

**Section 6.02. No Recourse against Officers and Agents.** Pursuant to Section 11-57-209, C.R.S., if a member of District No. 3 Board or any officer or agent of District No. 3 acts in good faith, no civil recourse shall be available against such member, officer, or agent for

payment of the District No. 3 Debt Service Revenue by District No. 3 hereunder. Such recourse shall not be available either directly or indirectly through District No. 3, or otherwise, whether by virtue of any constitution, statute, rule of law, enforcement of penalty, or otherwise. By the acceptance of this Agreement and as a part of the consideration hereof, the Issuing District and the Trustee, as third-party beneficiary on behalf of the owners from time to time of the Issuing District Bonds, specifically waive any such recourse.

**Section 6.03. Conclusive Recital.** Pursuant to Section 11-57-210, C.R.S., this Section 4.03 shall constitute a recital that this Agreement is executed and delivered pursuant to certain provisions of the Supplemental Act (other than the provisions of 11-57-207(1)(a), C.R.S. relating to a forty-year maturity with respect to securities issued by a public entity, which the Issuing District and District No. 3 have elected not to apply), and such recital is conclusive evidence of the validity and the regularity of this Agreement after its delivery for value.

**Section 6.04. Limitation of Actions.** Pursuant to Section 11-57-212, C.R.S., no legal or equitable action brought with respect to any legislative acts or proceedings in connection with the authorization, execution, or delivery of this Agreement shall be commenced more than thirty days after the authorization of this Agreement.

**Section 6.05. Notices.** Except as otherwise provided herein, all notices or payments required to be given under this Agreement shall be in writing and shall be hand delivered or sent by certified mail, return receipt requested, or commercial overnight air freight, to the following addresses:

If to District No. 3: Harvest Crossing Metropolitan District No. 3  
c/o Special District Management Services  
141 Union Boulevard, Suite 150  
Lakewood, Colorado 80228  
Telephone: 303.987.0835  
Attn: David Solin, District Manager  
Email: dsolin@sdmsi.com

With a copy to: Harvest Crossing Metropolitan District No. 3  
c/o McGeady Becher P.C.  
450 E. 17<sup>th</sup> Avenue, Suite 400  
Denver, Colorado 80203  
Telephone: 303.592.4380  
Email: legalnotices@specialdistrictlaw.com

If to Issuing District: Harvest Crossing Metropolitan District No. 4  
c/o Special District Management Services  
141 Union Boulevard, Suite 150  
Lakewood, Colorado 80228  
Telephone: 303.987.0835  
Attn: David Solin, District Manager  
Email: dsolin@sdmsi.com

With a copy to: Harvest Crossing Metropolitan District No. 4  
c/o McGeady Becher P.C.  
450 E. 17<sup>th</sup> Avenue, Suite 400  
Denver, Colorado 80203  
Telephone: 303.592.4380  
Email: legalnotices@specialdistrictlaw.com

All notices or documents delivered or required to be delivered under the provisions of this Agreement shall be deemed received (i) one day after hand delivery; (ii) three days after certified mailing (return receipt requested); and (iii) the next business day after sending via commercial overnight air freight. Any of District No. 3 and/or the Issuing District may, by written notice so provided, change the address to which its future notices shall be sent.

**Section 6.06. Third-Party Beneficiaries.** The Trustee shall be a third-party beneficiary of this Agreement for the benefit of the owners from time to time of the Issuing District Bonds. Other than the Trustee on behalf of such bondholders, it is intended that there be no third-party beneficiaries of this Agreement.

**Section 6.07. Miscellaneous.**

(a) This Agreement constitutes the final, complete, and exclusive statement of the terms of the agreement between the parties pertaining to the subject matter of this Agreement and supersedes all prior and contemporaneous understandings or agreements of the parties. This Agreement may not be contradicted by evidence of any prior or contemporaneous statements or agreements. No party has been induced to enter into this Agreement by, nor is any party relying on, any representation, understanding, agreement, commitment, or warranty outside those expressly set forth in this Agreement.

(b) If any term or provision of this Agreement is determined to be illegal, unenforceable, or invalid in whole or in part for any reason, such illegal, unenforceable, or invalid provisions or part thereof shall be stricken from this Agreement, and such provision shall not affect the legality, enforceability, or validity of the remainder of this Agreement. If any provision or part thereof of this Agreement is stricken in accordance with the provisions hereof, then such stricken provision shall be replaced, to the extent possible, with a legal, enforceable, and valid provision that is as similar in tenor to the stricken provision as is legally possible.

(c) This Agreement may not be assigned or transferred by any party without the prior written consent of the other party.

(d) This Agreement shall be governed by and construed under the laws of the State of Colorado without giving effect to conflicts of laws principles.

(e) Venue for any and all claims brought by either party to enforce any provision of this Agreement shall be the District Court in and for the County of Arapahoe, State of Colorado.

(f) This Agreement may be amended or supplemented by the parties, but any such amendment or supplement must be in writing and must be executed by all parties.

(g) If the date for making any payment or the last day for performance of any act or the exercising of any right, as provided in this Agreement, shall be a Saturday, Sunday, legal holiday or a day on which U.S. banking institutions are authorized or required by law to remain closed, such payment may be made or act performed or right exercised on the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized or required by law to remain closed, with the same force and effect as if done on the nominal date provided in this Agreement.

(h) Each party has participated fully in the review and revision of this Agreement. Any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in interpreting this Agreement. The language in this Agreement shall be interpreted as to its fair meaning and not strictly for or against any party.

(i) The Issuing District shall have the right to access and review District No. 3's records and accounts, on reasonable times during regular daytime office hours, for purposes of determining compliance by District No. 3 with the terms of this Agreement. Such access shall be subject to the provisions of the Public Records Act of the State contained in Article 72 of Title 24, C.R.S. In the event of disputes or litigation between the parties hereto, all access and requests for such records shall be made in compliance with the Public Records Act.

(j) Section headings used in this Agreement are for convenience of reference only and shall not affect the construction of this Agreement.

(k) This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

**Section 6.08. Colorado Municipal Bond Supervision Act.** District No. 3 recognizes that its obligations under this Agreement to impose the District No. 3 Required Mill Levy and to remit the District No. 3 Debt Service Revenues to or at the direction of the Issuing District in accordance with the provisions hereof may constitute a "bond" under Title 11, Article 59, C.R.S. (the "Colorado Municipal Bond Supervision Act"). Accordingly, District No. 3 has found and determined as set forth below, for purposes of the Colorado Municipal Bond Supervision Act:

(a) The District No. 3 Debt Service Revenues to be remitted to or at the direction of the Issuing District as provided in this Agreement are for the purpose of providing revenue to fund, in part, the repayment of Issuing District Bonds, which bonds are being issued in authorized denominations of \$500,000 or integral multiples of \$1,000 in excess thereof.

(b) District No. 3's Payment Obligation under this Agreement with respect to the District No. 3 Debt Service Revenues is not divisible, is deemed to be issued and transferable (if at all, in the sole discretion of District No. 3) in a single authorized

denomination equal to the principal amount of the Issuing District Bonds that are payable from the District No. 3 Debt Service Revenues, which authorized denomination shall be not less than \$500,000 or integral multiples of \$1,000 in excess thereof, and such Payment Obligation (with respect to the District No. 3 Debt Service Revenues) is exempt from the registration requirements of the Colorado Municipal Bond Supervision Act in accordance with Rule 59-10.3.

(c) No portion of District No. 3's Payment Obligation hereunder is assignable by the Issuing District without the consent of District No. 3, and the Issuing District understands and acknowledges that in no event will District No. 3 consent to a partial assignment of such Payment Obligation. The provisions of this Section 4.08(c) shall not be construed as prohibiting or limiting the Issuing District's right to pledge the District No. 3 Debt Service Revenues and grant all right, title and interest of the Issuing District therein as necessary and appropriate to secure and pay the Issuing District Bonds.

**Section 6.09. Effective Date and Pledge Agreement Termination Date.** This Agreement shall become effective as of the Effective Date and, subject to Section 2.01(b) hereof, shall remain in effect until the Pledge Agreement Termination Date.

[End of Agreement; Signatures Appear on Following Page]

IN WITNESS WHEREOF, the Issuing District and District No. 3 have executed this Agreement as of the day and year first above written.

**“District No. 3”**

**HARVEST CROSSING  
DISTRICT NO. 3**

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

ATTEST:

\_\_\_\_\_  
Secretary

**“Issuing District”**

**HARVEST CROSSING  
DISTRICT NO. 4**

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

ATTEST:

\_\_\_\_\_  
Secretary

[Signature page to Revenue Pledge Agreement]