

BOYD PONDS METROPOLITAN DISTRICT NO. 2

**ANNUAL REPORT
TO
THE CITY OF ARVADA**

FISCAL YEAR ENDING DECEMBER 31, 2022

A. As required by Section VII of the Service Plan for the above-referenced District, approved by the City of Arvada, Colorado on April 19, 2010, as amended May 16, 2011, the District is required to submit an annual report to the City of Arvada in every year following the year in which the Order and Decree creating the District has been issued, until the year following the dissolution of the District. Such annual report shall be submitted no later than August 1 of each year and shall include information as provided by City Code.

For the year ending December 31, 2022, the District makes the following report:

B. Reporting of Significant Events.

- (1) Boundary changes made or proposed to the District's boundary as of December 31 of the prior year.

There were no boundary changes made or proposed in the period ending December 31, 2022.

- (2) Intergovernmental Agreements with other governmental entities either entered into or proposed as of December 31 of the prior year.

There were no intergovernmental agreements with other governmental entities either entered into or proposed in the period ending December 31, 2022.

- (3) Copies of the District's rules and regulations, if any, as of December 31 of the prior year.

The District has not adopted any rules and regulations as of December 31, 2022.

- (4) A summary of any litigation which involves the District Public Improvements as of December 31 of the prior year.

The District was not involved in any litigation in the period ending December 31, 2022.

- (5) A summary of the financial condition of the District and its operations over the year.

District operations are limited to debt service activities and providing limited landscaping services as further described below.

- (6) Copies of all construction or service contracts that the District entered into as of December 31, 2022

The District did not enter into any construction contracts in 2022. The District is a party to the following 2023 service agreements, attached as Exhibit A:

- i. Keesen Landscape Management, Inc. – Agreement for native mowing and trash pick-up effective January 1, 2023 through December 31, 2023.**
- ii. Advance HOA-Annual contract renewal/extension for district management services effective January 1, 2023 through December 31, 2023.**

- (7) Status of the District’s construction of the Public Improvements as of December 31 of the prior year.

The District did not construct any Public Improvements in the period ending December 31, 2022.

- (8) A list of all facilities and improvements constructed by the District that have been dedicated to and accepted by the City as of December 31 of the prior year.

There were no improvements constructed by the District that were dedicated to the City in the period ending December 31, 2022.

- (9) The assessed valuation of the District for the current year.

The District received an assessed valuation of \$6,025,934 for 2022, for collection in 2023.

- (10) Current year budget including a description of the Public Improvements to be constructed in such year.

The District’s budget for 2023 is attached as Exhibit B. The District does not intend to construct any public improvements in 2023, but may acquire open space improvements from the Developer.

- (11) Audit of the District’s financial statements, for the year ending December 31 of the previous year, prepared in accordance with generally accepted accounting principles or audit exemption, if applicable.

The 2022 audit is in process and a supplemental annual report will be submitted, when it is available.

- (12) Notice of any uncured events of default by the District, which continue beyond a ninety (90) day period, under any debt instrument.

There were no uncured events of default by the District, which continue beyond a ninety-day period.

EXHIBIT A
Copies of 2022 Service Agreements

BOYD PONDS METROPOLITAN DISTRICT NO. 2

AGREEMENT FOR SERVICES

This Agreement for Services (“Agreement”) is entered into and effective as of January 1, 2023 between BOYD PONDS METROPOLITAN DISTRICT NO. 2, a quasi-municipal corporation and political subdivision of the State of Colorado (“District”) and KEESEN LANDSCAPE MANAGEMENT, INC., a Colorado corporation (“Contractor”).

The work to be provided by the Contractor to the District generally consists of:

Native mowing twice per year (June/July and September/October) and trash pickup twelve times per year (one time per month) within the Boyd Ponds Metropolitan District No. 2, to be performed in 2023 as more particularly described in Exhibit A attached hereto (the “Work”).

1. The Work shall be completed in the time stated in the Scope of Work or in a timely manner and in accordance with industry standards. This Agreement shall terminate on December 31, 2023, unless extended by written agreement of the parties.

2. The total compensation due for the Work shall be \$706.84 per native mowing and \$86.36 per trash pickup provided by the Contractor and total annual compensation shall not exceed the amount of **\$2,450.00**, pursuant to the rates and pricing described on Exhibit A. Contractor shall submit to the District a detailed invoice of the material received and Work performed. Any additional work shall only be performed upon written authorization of authorized District personnel or the District board of directors. Payment of approved invoices shall be made within forty-five (45) days of receipt by the District.

3. The Contractor is an independent contractor and nothing herein contained shall constitute or designate the Contractor as an employee or agent of the District. The District is concerned only with the results to be obtained. **AS AN INDEPENDENT CONTRACTOR, THE CONTRACTOR ACKNOWLEDGES THERE IS NO ENTITLEMENT TO WORKER’S COMPENSATION BENEFITS THROUGH THE DISTRICT AND THAT THE CONTRACTOR IS OBLIGATED TO PAY FEDERAL AND STATE INCOME TAX ON ANY MONIES EARNED UNDER THIS AGREEMENT.**

4. The Contractor shall indemnify, defend and hold harmless the District, its members, directors, officials and employees from and against any and all claims, demands, suits, actions, judgments, losses, damages, injuries, penalties, costs, expenses (including attorney’s fees) and liabilities to the extent they are alleged to arise from the intentional misconduct or negligent acts or omissions of the Contractor or the Contractor’s sub-contractors and/or employees. The obligations of this indemnification shall survive termination of this Agreement. The Contractor shall carry insurance of the type and in the amounts as described in Exhibit B. Proof of such insurance coverage shall be presented to the District prior to the performance of the Work. Nothing herein shall be deemed a waiver of immunity under §§ 24-10-101, *et seq.*, C.R.S.

5. The District may terminate this Agreement without cause, in whole or in part, by delivering written notice of termination to the Contractor specifying the extent and timing of such termination. The District shall pay the Contractor for Work performed and materials actually provided to the District prior to such notice.

6. The Contractor shall be informed of and comply with all applicable federal, state and local laws, ordinances and the regulations and the rules and regulations of the District.

7. In the event of any legal action between the District and the Contractor, each party shall pay its own fees, costs and expenses, including attorney's fees.

8. This Agreement shall govern over any inconsistent provisions contained in **Exhibit A** and shall supersede any other agreements by the parties, oral or written.

9. The Contractor acknowledges that the District is a government entity and cannot indemnify the Contractor under any contract provision.

10. The Contractor acknowledges that the District is subject to the Open Records Act, §§ 24-72-201, *et seq.*, C.R.S. and any maps, drawings or other products delivered to the District must be held available for copying by the public.

11. Any notice or other communications required or permitted by this Agreement or by law to be served on, given to, or delivered to any of the parties hereto by one of the other parties shall be in writing and shall be deemed duly served, given, or delivered when personally delivered to the party to whom it is addressed or in lieu of such personal service, when deposited in the United States' mail, first-class, postage prepaid, addressed to:

CONTRACTOR:

Keesen Landscape Management, Inc.
Attn: Bradley Schuster
3355 S. Umatilla Street
Englewood, CO 80110
Phone: 303-761-0444
E-mail: bschuster@keesenlandscape.com

DISTRICT:

Boyd Ponds Metropolitan District No. 2
c/o Seter & Vander Wall, P.C.
7400 E. Orchard Road, Suite 3300
Greenwood Village, CO 80111
Phone: 303-770-2700
E-mail: bvanderwall@svwpc.com

12. Additional Provisions: NONE

DISTRICT:
BOYD PONDS METROPOLITAN DISTRICT NO. 2,
a quasi-municipal corporation and political subdivision
of the State of Colorado

Andrea E Rogers
Andrea E Rogers (Feb 16, 2023 13:32 MST)

Andrea Rogers, President

ATTEST:

Roger Pinson
Roger Pinson (Feb 16, 2023 13:47 MST)

Secretary/Assistant Secretary

**EXHIBIT A
TO
BOYD PONDS METROPOLITAN DISTRICT NO. 2
SERVICES AGREEMENT
WITH
KEESEN LANDSCAPE MANAGEMENT**

EXHIBIT A



(303) 761-0444
(303) 761-4366 FAX
www.keesenlandscape.com

Landscape Maintenance Agreement

November 01, 2022

Contract No. - 80915

Boyd Ponds Metropolitan District No. 2
c/o Seter & Vander Wall, P.C.
7400 E. Orchard Rd.
Greenwood Village , CO 80111

This is an Agreement between Keesen Landscape Management, Inc., ("Keesen"), 3355 South Umatilla Street, Englewood, CO 80110, and Boyd Ponds Metropolitan District No. 2 c/o Seter & Vander Wall, P.C. ("Client"), 7400 E. Orchard Rd. , Greenwood Village , CO 80111. This Agreement shall commence on January, 1 2023 and conclude on December, 30 2023.

Scope

Landscape and grounds maintenance as outlined in this Agreement.

General Requirements

Keesen shall furnish all labor, materials and equipment necessary to perform operations in accordance with the scope of work.

1. Coordination between Keesen and the Client shall be required.
2. Keesen shall be responsible for any damages to the grounds caused by its workforce while performing the requirements of these specifications herein. Labor and materials for the repair or replacement of these damages shall be provided and borne by Keesen.
3. Keesen reserves the right to an arbitration hearing with the Client on questionable damage.
4. Keesen will comply with all federal, state and local licensing requirements.
5. Due to a change in Colorado's Department of Agriculture Rules and Regulations (Rule 9.04), we are now required to have written permission from our customers to communicate VIA Electronic means about pesticide applications. Electronic communication will take the form of one or more of the following; Voice mail, Email, text or fax. By signing this contract or addendum you are agreeing to electronic communication

Subcontractors

Keesen is responsible for the fulfillment of this Agreement and may occasionally use qualified subcontractors to complete certain items.

Modification or Amendment

This Agreement constitutes the entire understanding between the Client and Keesen and no modification, amendment, renegotiations or other alteration to the terms of the Agreement shall be of any force or effect unless mutually agreed upon by the parties and embodied in writing.

Termination

Keesen shall be responsible for the performance of all service items unless the Client provides notice of cancellation of a specific service prior to its completion by Keesen, or Keesen has placed the account on hold. Cancellation of a single service will not have any effect upon the status of any other remaining uncompleted services.

Either party may terminate this Agreement by notice in writing to the other party at the respective address herein stated. Notice is to be given at least thirty (30) days prior to the effective date of such termination. Non-payment as agreed to by contractual agreement may constitute immediate cancellation. In the event of termination by either party, full payment for services performed or materials provided becomes due and payable on or before the date of termination. In the event of prepayment of services or materials not performed, refund will be due and payable on termination date.

Insurance

During the term of this agreement, Keesen shall at all times be covered by commercially reasonable general liability, automotive and workers compensation insurance. Evidence of coverage shall be provided upon the Client's request.

Force Majeure and Delays

Keesen's obligations under this Agreement are accepted subject to strikes, labor troubles (including strikes or labor troubles affecting any suppliers of Keesen), floods, fires, acts of God, accidents, delays, shortages of equipment, contingencies of transportation, and other causes of like or different character beyond the control of Keesen. Impossibility of performance by reason of any legislative, executive, or judicial act of any government authority shall excuse performance of or delay in performance of this Agreement.

Ditch Mowing

Mowing of targeted native areas per Maintenance Agreement using tractors, mowers or other equipment deemed appropriate by the Maintenance Contractor.

Trash Pick Up

Common area trash receptacles will be emptied and liners installed as needed at each regularly scheduled maintenance visit as part of this agreement.

2023 CONTRACT SUMMARY

INCLUDED SERVICES	TOTAL COST
Ditch Mowing	\$1,413.68
Trash Pick Up	\$1,036.32
TOTAL	\$2,450.00

BILLING SCHEDULE

SCHEDULE	SERVICE COST	TOTAL COST
January	\$204.17	\$204.17
February	\$204.17	\$204.17
March	\$204.17	\$204.17
April	\$204.17	\$204.17
May	\$204.16	\$204.16
June	\$204.17	\$204.17
July	\$204.16	\$204.16
August	\$204.17	\$204.17
September	\$204.16	\$204.16
October	\$204.17	\$204.17
November	\$204.16	\$204.16
December	\$204.17	\$204.17
TOTAL	\$2,450.00	\$2,450.00

The term of this Agreement commences on 1/1/2023 and will be in effect until 12/30/2023 and is subject to the termination clause as noted.

In consideration for performance of the services outlined in this Agreement for Boyd Ponds Metropolitan District No. 2 c/o Seter & Vander Wall, P.C. , 7400 E. Orchard Rd. , Greenwood Village , CO 80111. Client agrees to submit timely payments according to the above billing schedule. Payments are to be made on or before the first day of each month. Time and material charges are billed separately as incurred for payment.

The account is considered past-due 30 days after the billing date. All balances 30 days or more past due are subject to a service charge of two percent (2%) per month (twenty-four percent <24%> per year). If reasonable attempt to negotiate fail, Client hereby agrees to pay all reasonable attorneys' fees, court costs, and any other expenses of collection incurred by Keesen.

We, the undersigned, agree to the terms and conditions as set forth by this Agreement between Boyd Ponds Metropolitan District No. 2 and Keesen Landscape Management, Inc.

By _____
Bradley Schuster

Date 11/1/2022

Keesen Landscape Management, Inc.

By _____

Print _____

Date _____

Authorized Representative for
Boyd Ponds Metropolitan
District No. 2

**EXHIBIT B
TO
BOYD PONDS METROPOLITAN DISTRICT NO. 2
SERVICES AGREEMENT
WITH
KEESEN LANDSCAPE MANAGEMENT**

INSURANCE REQUIREMENTS

1. Workers' compensation insurance in accordance with applicable law.
2. Comprehensive commercial general liability insurance in the amount of \$1,000,000.00 combined single limit bodily injury and property damage, each occurrence; \$2,000,000.00 general aggregate.
3. Automobile liability insurance in the amount of \$1,000,000.00 combined single limit bodily injury and property damage, each accident.

CHANGE ORDER

Change Order No: 5	Date Issued: November 3, 2022
Name of Agreement: Service Agreement for District Management Services	
Date of Agreement: September 5, 2017	District(s): Boyd Ponds Metropolitan District No. 2
Other Party/Parties: N/A	

CHANGE IN SCOPE OF SERVICES (describe): This Change Order No. 5 shall extend the term of the Service Agreement for an additional year beginning on January 1, 2023 and shall expire on December 31, 2023, unless otherwise terminated.

CHANGE IN AGREEMENT PRICE:	CHANGE IN TERM OF AGREEMENT:
Original Price: \$ _____	Original Term: Expires: <u>December 31, 2018</u>
Increase of this Change Order: \$ _____	New Term: Expires: <u>December 31, 2023</u>
Price with all Approved Change Orders: \$ _____	Agreement Time with all Approved Change Orders: September 5, 2017 through December 31, 2023


APPROVED:	APPROVED: 
By:	By: <u>Sky Smeltzer</u>
District	Consultant

EXHIBIT B
2023 Budget

BOYD PONDS METROPOLITAN DISTRICT NO. 2
2023
BUDGET MESSAGE

Attached please find a copy of the adopted 2023 budget for the Boyd Ponds Metropolitan District No. 2.

The Boyd Ponds Metropolitan District No. 2 has adopted a budget for two funds, a General Fund to provide for general operating expenditures; and a Debt Service Fund to account for the repayment of principal, interest and the payment of issuance costs on the outstanding general obligation refunding loan.

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

The primary sources of revenue for the district in 2023 will be property taxes. The district intends to impose a 36.000 mill levy on property within the district for 2023, of which 5.000 mills are dedicated to the General Fund and the balance of 31.000 mills will be allocated to the Debt Service Fund.

Boyd Ponds Metropolitan District No. 2
Adopted Budget
General Fund
For the Year ended December 31, 2023

	Actual <u>2021</u>	Adopted Budget <u>2022</u>	Actual <u>6/30/2022</u>	Estimate <u>2022</u>	Adopted Budget <u>2023</u>
Beginning fund balance	\$ 5,238	\$ 9,520	\$ 9,520	\$ 9,520	\$ 11,404
Revenues:					
Property taxes	30,822	31,042	30,185	31,000	30,130
Specific ownership taxes	1,768	2,483	1,041	2,000	2,410
Interest Income	154	1,000	595	800	999
Other income	<u>1,627</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>34,371</u>	<u>34,525</u>	<u>31,821</u>	<u>33,800</u>	<u>33,539</u>
Total funds available	<u>39,609</u>	<u>44,045</u>	<u>41,341</u>	<u>43,320</u>	<u>44,943</u>
Expenditures:					
Accounting	11,799	6,500	2,738	6,500	6,500
Audit	-	4,500	-	4,100	4,500
Insurance	2,744	2,900	2,751	2,751	3,200
Legal	14,082	10,000	8,890	12,000	12,000
Election	-	5,000	-	1,000	2,000
District Management	-	-	-	1,500	1,500
Website costs	-	-	-	500	1,000
Landscaping	980	8,000	-	3,000	3,000
Treasurer's fees	454	466	453	465	452
Miscellaneous	30	100	-	100	100
Emergency reserve (3%)	-	1,124	-	-	1,028
Contingency	<u>-</u>	<u>7,908</u>	<u>-</u>	<u>-</u>	<u>9,663</u>
Total expenditures	<u>30,089</u>	<u>46,498</u>	<u>14,832</u>	<u>31,916</u>	<u>44,943</u>
Ending fund balance	<u>\$ 9,520</u>	<u>\$ (2,453)</u>	<u>\$ 26,509</u>	<u>\$ 11,404</u>	<u>\$ -</u>
Assessed Valuation		<u>\$ 6,208,493</u>			<u>\$ 6,025,934</u>
Mill levy		<u>5.000</u>			<u>5.000</u>

Boyd Ponds Metropolitan District No. 2
Adopted Budget
Debt Service Fund
For the Year ended December 31, 2023

	Actual <u>2021</u>	Adopted Budget <u>2022</u>	Actual <u>6/30/2022</u>	Estimate <u>2022</u>	Adopted Budget <u>2023</u>
Beginning fund balance	\$ 135,926	\$ 152,458	\$ 152,458	\$ 152,458	\$ 171,298
Revenues:					
Property taxes	199,808	204,880	199,221	204,000	186,804
Specific ownership taxes	15,287	16,390	7,968	16,000	14,939
Interest income	<u>72</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>215,167</u>	<u>221,270</u>	<u>207,189</u>	<u>220,000</u>	<u>201,743</u>
Total funds available	<u>351,093</u>	<u>373,728</u>	<u>359,647</u>	<u>372,458</u>	<u>373,041</u>
Expenditures:					
Bond principal	110,000	115,000	-	115,000	120,000
Bond interest	85,638	80,600	40,224	80,600	77,035
Paying agent fees	-	2,500	-	2,500	2,500
Treasurer's fees	<u>2,997</u>	<u>3,073</u>	<u>2,989</u>	<u>3,060</u>	<u>2,802</u>
Total expenditures	<u>198,635</u>	<u>201,173</u>	<u>43,213</u>	<u>201,160</u>	<u>202,337</u>
Ending fund balance	<u>\$ 152,458</u>	<u>\$ 172,555</u>	<u>\$ 316,434</u>	<u>\$ 171,298</u>	<u>\$ 170,704</u>
Assessed Valuation		<u>\$ 6,208,493</u>			<u>\$ 6,025,934</u>
Mill Levy		<u>33.000</u>			<u>31.000</u>
Total Mill Levy		<u>38.000</u>			<u>36.000</u>