

RESOLUTION NO. 2023-10-05

**RESOLUTION OF THE BOARD OF DIRECTORS OF
LARKRIDGE METROPOLITAN DISTRICT NO. 1 REGARDING CONTINUING
DISCLOSURE POLICIES AND PROCEDURES**

A. Larkridge Metropolitan District No. 1, located in the City of Thornton, Adams County, Colorado (the “**District**”) has entered into the continuing disclosure undertaking(s) set forth in **Exhibit A** attached hereto (referred to collectively herein, whether one or more than one, the “**Continuing Disclosure Undertaking**”).

B. The Board of Directors of the District (the “**Board**”) desires to adopt policies and procedures in an effort to ensure compliance by the District with its obligations set forth in the Continuing Disclosure Undertaking (the “**Continuing Disclosure Policy**”).

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF LARKRIDGE METROPOLITAN DISTRICT NO. 1, IN THE CITY OF THORNTON, ADAMS COUNTY, COLORADO:

1. The Continuing Disclosure Policy, as hereby approved, adopted and made a part of the public records of the District, shall be to impose the procedures set forth in **Exhibit B** attached hereto (the “**Compliance Procedures**”).

2. The Board hereby delegates the tasks and responsibilities set forth in the Compliance Procedures to the responsible parties as set forth therein.

3. The Continuing Disclosure Policy is intended to supplement any previous post-issuance compliance procedures that may have been adopted by the District and any procedures evidenced in writing by any Official Statement or continuing disclosure undertaking heretofore or hereafter issued, entered into or executed and delivered by the District or on its behalf.

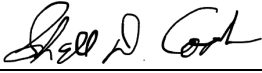
4. The Board may revise the Continuing Disclosure Policy from time to time as the Board deems necessary or desirable to comply with federal and state securities laws or otherwise as the Board may determine in its sole discretion.

5. Prior to the engagement of the responsible parties listed in the Compliance Procedure, and other consultants as may be applicable with respect to the Continuing Disclosure Undertaking, such responsible parties and consultants shall be required to review and comply with the Continuing Disclosure Policy, including, without limitation, the responsibilities set forth in the Compliance Procedures.

6. Within thirty (30) days, or earlier if necessary, of entering into any new continuing disclosure undertaking and/or with respect to any changes or modifications to the Continuing Disclosure Undertaking, the responsible parties and consultants shall meet with bond counsel and disclosure counsel to review the continuing disclosure compliance requirements and develop a process for compliance with respect to such new and/or changed continuing disclosure undertaking.

RESOLUTION APPROVED AND ADOPTED on October 10, 2023.

**LARKRIDGE METROPOLITAN
DISTRICT NO. 1**

By: 
Shell D. Cook, President

Attest:

By: 
Steve Beck, Secretary

EXHIBIT A
Continuing Disclosure Undertaking

Section 5.08 of the Series 2022 Loan Agreement by and between Larkridge Metropolitan District No. 1 (the “District”) and Zions Bancorporation, N.A. d/b/a Vectra Bank Colorado (the “Lender”) pertaining to a General Obligation Refunding Loan in the amount of \$12,375,000, dated November 2, 2022.

Section 5.08. Reporting Requirements. The District hereby agrees as follows:

(a) Commencing with the calendar year commencing on January 1, 2023, the District shall furnish to the Lender semiannual internally-prepared unaudited financial statements for the semiannual periods ending June 30 and December 31, respectively, of each calendar year. Such semiannual financial statements shall include a statement of revenues and expenses for the District’s General Fund and all other funds (including accounts or sub-funds within such District funds), the District’s annual budget, and a schedule of assets and liabilities of the District. Such semiannual financial statements shall be furnished to the Lender within ninety (90) days following the end of each semiannual period to which such financial statement relates.

(b) As soon as available, but in no event later than August 30 of each year, the District shall furnish to the Lender the preliminary certified “actual value” and assessed valuation of all property subject to the Required Mill Levy (including taxable property within the District and excluded property subject to the Required Mill Levy, if any) for such year, as certified by the County Assessor on or about August 25 of that year.

(c) Not later than two hundred seventy (270) days following the end of each Fiscal Year, the District shall furnish to the Lender its audited annual financial statements prepared in accordance with generally accepted accounting principles consistently applied, in reasonable detail and audited by a firm of independent Certified Public Accountants selected by the District; *provided, however*, that if the foregoing financial statements are otherwise available electronically on a public website, the District may so inform the Lender and the Lender shall not require the District to submit such statements to the Lender.

(d) As soon as available, but in no event later than December 15 of each year, the District shall furnish to the Lender the final certified “actual value” and the final certified assessed valuation of all property subject to the Required Mill Levy (including taxable property within the District and excluded property subject to the Required Mill Levy, if any), as calculated, recorded, and certified by the County Assessor on or before December 15 of such year.

(e) Promptly following certification of the Required Mill Levy by the District to the County each year, but in no event later than December 15 of each year, the District shall furnish to the Lender a copy of the certification setting forth the amount of the Required Mill Levy so certified.

(f) As soon as available, but in no event later than December 15 of each year, the District shall furnish to the Lender the District's annual budget as adopted for the Fiscal Year commencing on January 1 of the succeeding year and, in addition, shall furnish to the Lender a copy of any amendments thereto within thirty (30) days of adoption by the District.

(g) Upon reasonable request of the Lender, the District shall furnish to the Lender such other reports or information regarding the Pledged Revenue or the assets, condition, business or operations of the District, as the Lender may reasonably request upon reasonable prior notice.

EXHIBIT B
Compliance Procedure

Series 2022 Loan Agreement by and between Larkridge Metropolitan District No. 1 (the “**District**”) and Zions Bancorporation, N.A. d/b/a Vectra Bank Colorado (the “**Lender**”) pertaining to the General Obligation Refunding Loan in the amount of \$12,375,000, dated November 2, 2022.

Subject to SEC Rule 15c2-12: NO

| <u>FINANCIAL DISCLOSURES</u> | |
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| Document to Lender (Due Date) | Required Documentation Prepared/Submitted By: |
| <p>Semi-Annual Unaudited Financial Statements <i>Within 90 days following June 30 and Within 90 days following December 31 [Commencing with the January 1, 2023 calendar year]</i></p> | <p><i>District shall furnish Lender semiannual unaudited financial statements to include the following:</i></p> <ul style="list-style-type: none"> • a statement of revenues and expenses for the District’s General Fund and all other funds (including accounts or sub-funds within such District funds), • the District’s annual budget, and • a schedule of assets and liabilities of the District. |
| <p>Preliminary Certified “Actual Value” and Assessed Valuation <i>No later than August 30 of each year</i></p> | <p><i>District will submit to Lender the preliminary certified actual value and assessed valuation of all property subject to the Required Mill Levy (including taxable property within the District and excluded property subject to the Required Mill Levy, if any) for such year, as certified by the County Assessor on or about August 25 of that year.</i></p> |
| <p>Audited Financial Statements <i>No later than 270 days following the end of each Fiscal Year</i></p> | <p><i>District will submit to Lender the audited financial statements of the District for the prior Fiscal Year not later than 270 days after the end of each Fiscal Year.</i></p> <p>However, if the audited financial statements are available electronically on a public website, the District may so inform the Lender and the Lender shall not require the District to submit such statements to the Lender.</p> |
| <p>Final Certified “Actual Value” and Assessed Valuation <i>No later than December 15 of each year</i></p> | <p><i>District will submit to Lender the final certified “actual value” and the final certified assessed valuation of all property subject to the Required Mill Levy (including taxable property within the District and excluded property subject to the Required Mill Levy, if any), as calculated, recorded, and certified by the County Assessor on or before December 15 of such year.</i></p> |

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| <p align="center">Certified Mill Levy <i>No later than December 15 of each year</i></p> | <p><i>District shall furnish the Lender with a copy of the Required Mill Levy Certification that was filed with the County.</i></p> |
| <p align="center">Annual Budget <i>No later than December 15 of each year</i></p> | <p><i>District shall furnish to the Lender the District’s annual budget as adopted for the Fiscal Year commencing on January 1 of the succeeding year and, in addition, shall furnish to the Lender a copy of any amendments thereto within thirty (30) days of adoption by the District.</i></p> |
| <p align="center">OTHER</p> | <p><u>Upon reasonable request of the Lender</u>, the <i>District</i> shall furnish to the <i>Lender</i> such other reports or information regarding the Pledged Revenue or the assets, financial condition, business or operations of the District, as the Lender may reasonably request upon reasonable prior notice.</p> |

Procedure:

1. On behalf of the District, the then-current accountant (“**Accountant**”) will prepare and submit the respective documents to the Lender by the applicable submittal date.
2. Accountant will copy then-current general counsel (“**General Counsel**”) (to McGeady Becher P.C. at continuingdisclosure@specialdistrictlaw.com) and then-current District manager (“**District Manager**”) on all submittals to the Lender.

| <u>NOTICE OF EVENT OF DEFAULT</u> | | |
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| Reporting / Submittal Deadlines | Responsible Party to Report Event of Default | Party Responsible to Notify Lender of Event of Default |
| <p>The District will immediately notify the Lender in writing when the District obtains knowledge of the occurrence of an Event of Default.</p> | <p>Accountant, General Counsel, District Manager, or anyone who has actual knowledge of a Default or Event of Default.</p> | <p>Accountant, on behalf of the District.</p> |