

HAWTHORN METROPOLITAN DISTRICT

REGULAR MEETING

Monday, March 4, 2024 at 2:00 P.M.

<https://www.hawthornmetrodistrict.org>

This meeting will be held via Zoom and can be joined through the directions below:

<https://us06web.zoom.us/j/81129000264?pwd=vpLvn2rkXQhZm86bspnKoMatEdpnQ7.1>

Meeting ID: 811 2900 0264

Passcode: 004477

Call In: 720-707-2699

| | |
|--------------------------------------|------------------|
| Krystal Bigley, President | Term to May 2027 |
| Brittany Lutz, Treasurer | Term to May 2025 |
| Stephen Daniels, Secretary | Term to May 2027 |
| Andrea Stewart, Assistant Secretary | Term to May 2025 |
| Stephen Bonneau, Assistant Secretary | Term to May 2027 |

NOTICE OF REGULAR MEETING AND AGENDA

1. Call to Order/Declaration of Quorum
2. Director Conflict of Interest Disclosures
3. Approval of Agenda
4. Consent Agenda –The items listed below are a group of items to be acted on with a single motion and vote by the Board. An item may be removed from the consent agenda to the regular agenda, by any Board member. Items on the consent agenda are then voted on by a single motion, second, and vote by the Board.
 - a. Approval of Board Meeting Minutes from the December 4, 2023 Meeting **(enclosure)**
 - b. Approval of Annual Meeting Minutes from the December 4, 2023 Meeting **(enclosure)**
 - c. Ratify CliftonLarsonAllen LLP Special Districts Payroll Services Statement of Work **(enclosure)**
 - d. Ratify CliftonLarsonAllen LLP Special Districts Master Services Agreement **(enclosure)**
 - e. Ratify CliftonLarsonAllen LLP Special Districts Preparation Statement of Work **(enclosure)**
 - f. Ratify MSI 2024 Fee Addendum **(enclosure)**
 - g. Ratify First Addendum to Environmental Landworks Company, Inc. for Sidewalk Grading **(enclosure)**
5. Financial Matters
 - a. Review and Consider Acceptance of Unaudited Financials **(enclosure)**
 - b. Review and Consider Approval of Claims **(enclosure)**

6. Legal Matters
 - a. Consider Adoption of 2024 Resolution Designating Meeting Notice Posting Location (**enclosure**)
7. Facilities/Management Matters
 - a. Discuss Status of Erosion Along Highway 93 and Discussions with CDOT
 - b. Discuss Berm Construction
 - c. Discuss Retaining Wall Damage and Repair
 - d. Discuss (Dolby) ARF #76344842 Painting Denial
8. Other Business
9. Public Comment – Members of the public may express their views to the Board(s) on matters that affect the District(s) that are not otherwise on the agenda. Comments will be limited to three (3) minutes per person.
10. Adjourn

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF

HAWTHORN METROPOLITAN DISTRICT

Held: Monday, December 4, 2023, at 2:00 p.m. via teleconference and in person at the Golden Recreation Center, 1470 10th Street, Golden, Colorado

Attendance

The regular meeting of the Board of Directors of the Hawthorn Metropolitan District was called and held as shown above and in accordance with the applicable statutes of the State of Colorado. The following Directors, having confirmed their qualification to serve on the Board, were in attendance:

Krystal Bigley
Andrea Stewart
Brittany Lutz
Steve Daniels
Stephen Bonneau

Also present were Trisha Harris, Esq. White Bear Ankele Tanaka & Waldron, District General Counsel; Allison Williams, CliftonLarsonAllen, LLP, District Accountants; Mark Becker, MSI HOA, District Manager; and Linda Brodsky, Joe Perry, Gene Gray and Brian Dobbler, members of the public.

Call to Order

It was noted that a quorum of the Board was present and Director Bigley called the meeting to order at 2:00 p.m.

Conflict of Interest Disclosures

Ms. Harris advised the Board that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Ms. Harris reported that disclosures for those directors that provided White Bear Ankele Tanaka & Waldron with notice of potential or existing conflicts of interest were filed with the Secretary of State's Office and the Board at least 72 hours prior to the meeting, in accordance with Colorado law, and those disclosures were acknowledged by the Board. Ms. Harris inquired into whether members of the Board had any additional disclosures of potential or existing conflicts of interest with regard to any matters scheduled for discussion at the meeting. No additional disclosures were noted. The participation of the members present was necessary to obtain a quorum or to otherwise enable the Board to act.

Approval of Agenda

Director Bigley presented the agenda to the Board for consideration. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the agenda.

Consent Agenda

Director Bigley reviewed the items on the consent agenda with the Board. Each item on the Consent Agenda was considered separately. Upon motions duly made and seconded, the following items on the consent agenda were unanimously approved, ratified and adopted:

- Minutes of September 11, 2023 Regular Meeting
- 2022 Annual Report
- Renewal of General Liability Schedule and Limits and Property Schedule and Authorization to Bind Coverage
- Authorization of Renewal of Special District Association of Colorado Membership for 2024
- Workers' Compensation Coverage with Colorado Special Districts Property and Liability Pool

Financial Matters

Review and Consider
Acceptance of Unaudited
Financials

Ms. Williams presented the unaudited financials to the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously accepted the financials.

Review and Consider
Approval of Claims

Ms. Williams presented the claims to the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously ratified the claims.

Conduct Public Hearing on
2024 Budget

Ms. Williams opened the public hearing on the proposed 2024 Budget. Ms. Williams noted that the notice of public hearing was provided in accordance with Colorado law. No written objections have been received prior to the meeting. There being no public comment, the hearing was closed.

Consider Adoption of
Adopting 2024 Budget,
Imposing Mill Levy and
Appropriating Funds

Ms. Williams reviewed the 2024 Budget Resolution with the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the Resolution adopting the 2024 Budget, appropriating funds therefor and certifying mills for the General Operating Expenses fund, mills for the Debt Service Obligations fund, and mills for the Contractual Obligation Expenses fund as shown in the 2024 Budget, subject to receipt of final assessed valuation.

Consider Auditor Engagement Letter for 2023 Audit

Ms. Williams presented the Auditor Engagement Letter for the 2023 Audit. Following discussion, upon a motion duly made and seconded, the Board approved the Auditor Engagement Letter for the 2023 Audit.

Legal Matters

Consider Adoption of 2024 Annual Administrative Resolution

Ms. Harris presented the 2024 Annual Administrative Resolution to the Board. Following discussion, upon a motion duly made and seconded, the Board approved the 2024 Annual Administrative Resolution.

Facilities/Management Matters

Consider Approval of Independent Contractor Agreement with Environmental Landworks for 2024/2025 Landscape Maintenance

Ms. Bigley presented the Independent Contractor Agreement with Environmental Landworks for 2024/2025 Landscape Maintenance to the Board. Following discussion, upon a motion duly made and seconded, the Board approved the Independent Contractor Agreement with Environmental Landworks for 2024/2025 Landscape Maintenance with the following additional services added:

- Additional Fall Aeration: \$570
- Native Edge to Edge Mow: \$5,000 (once per month from April through September, two included in the contract)
- Native Fence Line Mowing: \$2,199 (four mows total per year)
- Native Broadleaf Spray: \$3,500 (two applications)
- Irrigation Pump System Maintenance: \$2,210 (performed by irrigation pump specialist in Spring, Summer and Fall)
- Turf Top Dressing and Over Seeding of East and West Fields Only: \$2,500 (one time, at the time of aeration)
- Open Space Clean Up: \$1,315 (one time)
- Drain Pan Clean Up: \$4,800 (one time)
- IPS Beetle Preventive Spray: \$1,278 (February-May)
- Box Elder Spray: \$325 (July-August)
- Box Elder Spray: \$325 (August-September)

Discuss Status of Erosion Along Highway 93 and Discussions with CDOT

Ms. Bigley discussed that CDOT came out and laid seed grass and did some drainage work in that area. They did not do anything on the District's side of the sidewalk, and there may be some French drains, or the like, that may need to be done on the District's side in the future after the District sees the impact of CDOT's work over time.

Discuss Berm Construction Ms. Bigley discussed that the Board had previously approved a berm to be constructed in the area where CDOT recently did its work. With that work being done, a berm is not needed there, but there may be work to be done on the District’s side of the sidewalk. The Board will wait and see CDOT’s work holds up and evaluate further at a future date.

Retaining Wall Damage

Discuss Status of Insurance Claim Ms. Bigley discussed that the retaining wall collapsed in August. An insurance claim was submitted, and the insurance company engaged an engineer to inspect the wall. The claim was denied on the grounds that the failure of the wall was due to a construction defect. The statute of repose on any construction defect claim has expired.

Consider Approval of Independent Contractor Agreement with Environmental Landworks for Retaining Wall Repair Ms. Bigley presented the proposal from Environmental Landworks for repair of the retaining wall. Following discussion, upon a motion duly made and seconded, the Board approved the first line item on the scope of work on the agreement with Environmental Landworks (the repair/replacement of the portion of the wall that failed), with that portion to be repaired/replaced as soon as possible. The Board will evaluate the repair/replacement of the remainder of the wall and the landscaping at a later date.

Other Business None

Public Comment Linda Brodsky addressed the Board about the maintenance of the tree lawns along 59th from the open space to Eldora.

Adjournment There being no further business to come before the Board and following discussion and upon motion duly made, seconded and unanimously carried, the Board determined to adjourn the meeting at 4:05 p.m.

The foregoing constitutes a true and correct copy of the minutes of the above-referenced meeting.

Secretary for the Meeting

The foregoing minutes were approved by the Board of Directors on the 4th day of March, 2024.

MINUTES OF THE ANNUAL MEETING
PURSUANT TO §32-1-903(6), C.R.S.
OF THE BOARD OF DIRECTORS OF
HAWTHORN METROPOLITAN DISTRICT

Held: Monday, December 4, 2023 at 1:30 p.m.

The meeting was held via teleconference/Zoom and in person at the Golden Recreation Center, 1470 10th Street, Golden, Colorado

Attendance

The meeting was held in accordance with the laws of the State of Colorado. The following directors were in attendance:

Krystal Bigley
Andrea Stewart
Brittany Lutz
Steve Daniels
Stephen Bonneau

Also present were: Trisha Harris, Esq. White Bear Ankele Tanaka & Waldron, District General Counsel; Allison Williams, CliftonLarsonAllen, LLP, District Accountants; Mark Becker, MSI HOA, District Manager; and Linda Brodsky, Joe Perry, Ryan Krueger and Brian Dobbler, members of the public.

Call to Order:

Director Bigley called the meeting to order at 1:32 p.m.

Presentation Regarding the Status of Public Infrastructure Projects within the District(s)

Ms. Bigley presented the status of Public Infrastructure Projects within the District.

No action was taken by the Board.

Presentation Regarding Outstanding Bonds (if necessary)

Ms. Williams presented the Outstanding Bonds.

No action was taken by the Board.

Review of Unaudited Financial Statements

Ms. Williams presented the Unaudited Financial Statements.

No action was taken by the Board.

Open Floor for Questions

No questions were raised by public in attendance.

Adjournment

Upon a motion duly made, seconded, and upon vote, unanimously carried, the meeting was adjourned at 1:47 p.m.

The foregoing constitutes a true and correct copy of the minutes of the above-referenced meeting.

Secretary for the Meeting



Special Districts Payroll Services Statement of Work

Date: December 4, 2023

This agreement constitutes a Statement of Work (“SOW”) to the Master Service Agreement (“MSA”) made by and between CliftonLarsonAllen LLP (“CLA,” “we,” “us,” and “our”) and Hawthorn Metro District (“you,” “your,” “board of directors” or “the district”) dated October 15, 2023 or any superseding MSA. The purpose of this SOW is to outline certain services you wish us to perform through December 31, 2024 in connection with that agreement.

Scope of payroll services

We will provide the following payroll preparation services each pay period based on information you provide:

- Perform payroll calculations within ADP
- Facilitate ADP’s preparation of payroll checks and/or pay stubs
- Use ADP to initiate the electronic transfer of funds for employee net pay and payroll tax deposit

We will assist with the preparation of the following government forms, when applicable, for each calendar quarter-end and year-end with the understanding that ADP directly handles filing the payroll tax returns and payments:

- Form 941 – Employers Quarterly Tax Return
- State Employers Quarterly Withholding Return
- State Employers Quarterly Unemployment Return (SUTA)
- Form 940 – Employers Annual Federal Unemployment Tax Return
- All copies of required forms W-2 and W-3 – Transmittal of Tax and Wage Statements (annual)
- All necessary state forms (annual)

Our responsibility to you and limitations of the payroll services

We will prepare your federal and state (when applicable) payroll forms and tax returns.

We will not audit or otherwise verify the accuracy or completeness of the information we receive from you for the preparation of the payroll and related returns, and our engagement cannot be relied upon to uncover errors or irregularities in the underlying information. However, we will inform the appropriate level of management of any material errors and of any evidence or information that comes to our attention during the performance of our payroll preparation services that fraud may have occurred. In addition, we will inform you of any evidence or information that comes to our attention during the performance of our payroll preparation services regarding illegal acts that may have occurred, unless they are clearly inconsequential. We have no responsibility to identify and communicate deficiencies in your internal control as part of this engagement. You agree that we shall not be responsible for any misstatements in the entity's payroll that we may not identify as a result of misrepresentations made to us by you.

If applicable, our payroll preparation services will include electronically transmitting management-approved information to taxing authorities and your financial institution to facilitate the electronic transfer of funds.

If applicable, our payroll preparation services will include transmitting management-approved federal Form W-2, federal Form 1099, and payroll data forms to federal and state taxing authorities on your behalf.

CLA's relationship with you shall be solely that of an independent contractor and nothing in the MSA or a SOW shall be construed to create or imply any relationship of employment, agency, partnership, or any relationship other than an independent contractor.

Your responsibilities

It is your responsibility to provide us with all of the information needed to prepare complete and accurate payrolls and to facilitate ADP's preparation of payroll tax returns. We will have no obligations with regards to a particular payroll or withholding taxes and filing returns in a particular state or local tax jurisdiction until you have provided such information to us.

Additionally, it is your responsibility to provide us with all of the information needed to facilitate ADP's preparation of payroll tax returns. We will have no obligations with regards to particular withholding taxes and filing returns in a particular state or local tax jurisdiction until you have provided such information to us.

Specifically, your responsibilities include:

- Accuracy of information used in the preparation of the payrolls and payroll tax returns.
- Review and approval of paychecks or paystubs prior to issuance, and payroll registers for each pay period prior to submission of payroll information to ADP.
- Evaluation of information used in the preparation and filing of all government forms for accuracy.

- Before submission of payroll information to ADP, review and approval of each electronic funds transfer to be initiated on your behalf for employee net pay amounts, payroll tax, withholding liabilities, and related benefit amounts.
- One-time authorization to your financial institution for it to make transfers and direct deposits in accordance with future instructions from ADP.
- One-time authorization for ADP to submit tax filings and complete electronic fund transfers on your behalf.
- Sign or approve ADP issuance of all physical and/or electronic payroll checks.

If applicable, we will advise you with regard to tax positions taken in the preparation of the payroll forms and tax returns, but the responsibility for the payroll forms and tax returns remains with you.

Even if you have authorized CLA to file your employment tax returns and make your business and/or employment tax payments for you, please be aware that you are responsible for the timely filing of employment tax returns and the timely payment of business and/or employment taxes. Therefore, the Internal Revenue Service recommends that you enroll in the U.S. Department of the Treasury Electronic Federal Tax Payment System (EFTPS) to monitor your account and ensure that timely tax payments are being made for you. You may enroll in the EFTPS online at www.eftps.gov, or call 800-555-4477 for an enrollment form. Individual states have similar programs that allow you to monitor your account. A list of links by state is provided online at <http://www.americanpayroll.org/weblink/statelocal-wider/>.

Fees and terms

The billing rates (guaranteed through one year from 1st payroll live date) for these services are as follows:

| Services performed by | Rate per hour |
|------------------------------|----------------------|
| Payroll Analyst I | \$90-\$95 |
| Payroll Analyst II | \$100-\$110 |
| Senior Payroll Analyst | \$125-\$130 |

Subsequent to the billing rate guarantee date, the rates may be adjusted as agreed between you and CLA through a new SOW.

Our professional fees will be billed based on the degree of responsibility and contribution of the professionals working on the engagement. We will also bill for expenses (including internal and administrative charges) plus a technology and client support fee of five percent (5%) of all professional fees

billed.

This agreement will automatically renew for one year from the rate guarantee expiration date unless it is cancelled in writing at least 30 days prior to the expiration date or is changed by the mutual signing of a new SOW. The terms of the applicable MSA shall continue to govern this SOW if the SOW is automatically renewed.

We do not anticipate encountering the need to perform additional services beyond those described in this letter. Below are examples of services considered to be outside the scope of our engagement. We will bill you for additional services you would like us to provide at an hourly fee at periodic dates after the additional service has been performed.

- Reprocessing for corrected information provided to us subsequent to original payroll
- Preparation of non-standard reports
- Calculation of fringe benefit additions
- Processing retirement plan contribution payments
- Preparation of retirement plan and other census information
- Responding to workers compensation insurance audits
- Responding to employment verification requests
- Preparation of additional state tax registrations
- Preparation of amended payroll tax returns
- Responding to tax notices

Tax examinations

All government forms and returns are subject to potential examination by the IRS and state taxing authorities. In the event of an examination, we will be available, at your request, to assist or represent you subject to a separate SOW. Services in connection with tax examinations are not included in our fee for preparation of your payroll returns. Our fee for such services will be billed to you separately, along with any direct costs pursuant to a separate SOW.

Record retention

You are responsible for retaining all documents, records, payroll journals, canceled checks, receipts, or other evidence in support of information and amounts reported in your payroll records and on your quarterly and calendar year-end payroll forms and tax returns. These items may be necessary in the event the taxing authority examines or challenges your returns. These records should be kept for at least seven years. Your copy of the payroll forms and tax returns should be retained indefinitely.

In preparing the payrolls, payroll forms, and tax returns, we rely on your representation that you understand and have complied with these documentation requirements. You are responsible for the proper recording of transactions in the books of accounts, for the safeguarding of assets, and for the substantial accuracy of your financial records.

All of the records that you provide to us to prepare your payrolls and related forms and tax returns will be returned to you after our use. Our working papers, including any copies of your records that we chose to make, are our property and will be retained by us in accordance with our established records retention policy. This policy states, in general, that we will retain our working papers for a period of seven years. After this period expires, our working papers and files will be destroyed. Furthermore, physical deterioration or catastrophic events may shorten the time our records are available. The working papers and files of our firm are not a substitute for the records of you.

Tax consulting services

This SOW also covers tax consulting services that may arise for which the entity seeks our consultation and advice, both written and oral, that are not the subject of a separate SOW. These additional services are not included in our fees for the preparation of the payroll and related federal and state forms and tax returns.

We will base our tax analysis and conclusions on the facts you provide to us, and will not independently verify those facts. We will review the applicable tax authority rules, all of which are subject to change. At your request, we will provide a memorandum of our conclusions. Written advice provided by us is for the entity's information and use only and is not to be provided to any third party without our express written consent.

Unless we are separately engaged to do so, we will not continuously monitor and update our advice for subsequent changes or modifications to the tax regulations, or to the related judicial and administrative interpretations.

Legal compliance

The entity agrees to assume sole responsibility for full compliance with all applicable federal and state laws, rules or regulations, and reporting obligations that apply to the entity or the entity's business, including the accuracy and lawfulness of any reports the entity submits to any government regulator, authority, or agency. The entity also agrees to be solely responsible for providing legally sufficient substantiation, evidence, or support for any reports or information supplied by the entity to any governmental or regulatory body, or for any insurance reimbursement in the event that the entity is requested to do so by any lawful authority. CLA, its successors, affiliates, officers, and employees do not assume or undertake any duty to perform or to be responsible in any way for any such duties, requirements, or obligations.

Agreement

We appreciate the opportunity to provide the services described in this SOW related to the MSA. All terms and provisions of the MSA shall apply to these services. If you agree with the terms of this SOW, please sign below and return a signed copy to us to indicate your acknowledgment and understanding of, and agreement with, this SOW.

CliftonLarsonAllen LLP

Gigi Pangindian
Principal
(303) 265-7821
gigi.pangindian@claconnect.com

Response

This SOW correctly sets forth the understanding of Hawthorn Metro District and is accepted by:

CLA
CLA

Gigi Pangindian

Gigi Pangindian, Principal

SIGNED 12/5/2023, 3:56:50 PM MST

Client
Hawthorn Metro District

SIGN:

Krystal Bigly, President

DATE:



Special Districts Master Services Agreement

Hawthorn Metro District
8390 E. Crescent Pkwy., Ste.300, Greenwood Village, CO, 80111
MSA Date: October 15, 2023

This master service agreement (“MSA”) documents the terms, objectives, and the nature and limitations of the services CliftonLarsonAllen LLP (“CLA,” “we,” “us,” and “our”) will provide for Hawthorn Metro District (“you,” “your,” “board of directors” or “the district”). The terms of this MSA will apply to the initial and each subsequent statement of work (“SOW”), unless the MSA is changed in a communication that you and CLA both sign or is terminated as permitted herein.

Scope of professional services

CLA will provide services as described in one or more SOW that will reference this MSA. The SOW will describe the scope of professional services; the nature, limitations, and responsibilities related to the specific services CLA will provide; and the fees for such services.

If modifications or changes are required during CLA’s performance of requested services, or if you request that we perform any additional services, we will provide you with a separate SOW for your signature. Such SOW will advise you of the additional fee and time required for such services to facilitate a clear understanding of the services.

Our services cannot be relied upon to disclose errors, fraud, or noncompliance with laws and regulations. Except as described in the scope of professional services section of this MSA or any applicable SOW, we have no responsibility to identify and communicate deficiencies in your internal control as part of any services.

Board of director responsibilities

The board of directors of the district acknowledge and understand that our role is to provide the services identified in one or more SOWs issued per this MSA and that the board of directors of the district has certain responsibilities that are fundamental to our undertaking to perform the identified services. The district may engage CLA to perform management functions to help the board of directors of the district to meet your responsibilities, but the board of directors of the district acknowledges its role in management of the district.

Responsibilities and limitations related to nonattest services

For all nonattest services we may provide to you, you agree to oversee all management services; evaluate

the adequacy and results of the services; ensure that your data and records are complete; and accept responsibility for the results of the services. CLA and the district agree that the foregoing sentence is not intended and shall not be construed to be a limitation of liability for the benefit of CLA nor an exculpatory clause for the benefit of CLA. CLA is and will remain liable to the district for CLA's negligence and gross negligence in the work that it performs under this MSA or under any SOW.

Fees and terms

See the applicable SOW for the fees for the services.

Work may be suspended if your account becomes 60 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagements will be deemed to have been completed even if we have not completed the services. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures permitted by this MSA through the date of termination.

Payments may be made utilizing checks, Bill.com, your online banking platform, CLA's electronic payment platform, or any other client initiated payment method approved by CLA. CLA's electronic online bill pay platform claconnect.com/billpay accepts credit card and Automated Clearing House (ACH) payments. Instructions for making direct bank to bank wire transfers or ACH payments will be provided upon request.

Other Fees

You also agree to compensate us for any time and expenses, including time and expenses of legal counsel, we may incur in responding to discovery requests or participating as a witness or otherwise in any legal, regulatory, or other proceedings that we are asked to respond to on your behalf.

Finance charges and collection expenses

You agree that if any statement is not paid within 30 days from its billing date, the unpaid balance shall accrue interest at the monthly rate of one percent (1.00%), which is an annual percentage rate of 12%. In the event that any collection action is required to collect unpaid balances due us, reasonable attorney fees and expenses shall be recoverable if and as provided by Colorado law.

Limitation of remedies

Each party agrees that in no event shall the other party be liable for any indirect, special, incidental, consequential, punitive or exemplary damages, or for loss of profits or loss of goodwill, costs, or attorney fees.

The exclusive remedy available to you shall be the right to pursue claims for actual damages related to CLA's acts or omissions in performance of our duties under the terms of this MSA or any SOW issued under this MSA.

Time limitation

The nature of our services makes it difficult, with the passage of time, to gather and present evidence that fully and fairly establishes the facts underlying any dispute that may arise between you and any CLA party. Any legal or equitable action brought by the district to recover on a dispute shall be commenced within the applicable statute of limitations under Colorado state statutes and case law.

CLA shall be authorized to the following cash access services:

- Using any or a combination of the following methods and approval processes, we will pay your vendors and service providers based upon invoices that you have reviewed and approved:
 - Paper checks – we will prepare the checks for your approval and wet ink signature
 - Payments using Bill.com – we will only release payments after you have electronically approved and authorized such payments
 - ACH/Wire – we will use this method as needed/as requested, with your approval

We understand that you will designate one or more members of the board of directors to approve disbursements using the above methods.

- If applicable, access the entity credit card for purposes of purchasing products and services on your behalf up to a certain limit that will be discussed with you and documented separately
- Obtain administrator access to your bank accounts for purposes of performing the duties documented in our engagement letter identified above
- Take deposits to the bank that include cash
- If applicable, have access to cash-in-kind assets, such as coupons
- If applicable, initiate direct deposits or sign checks as part of the payroll processing function

Board of Directors' responsibilities relevant to CLA's access to your cash

All members of your board of directors are responsible for the processes below; however, we understand that you will designate one or more board of directors to review and give approvals for disbursements. All approvals must be documented in writing, either electronically or manually, then formally ratified in board meetings and documented in the meeting minutes.

- Approve all invoices and check payments
- Approve all new vendors and customers added to the accounting system
- Approve non-recurring wires to external parties
- Pre-approve for recurring wires, then board of directors will ratify approval
- Approve all new employees and all employee status changes prior to those employees or changes being added to the payroll system
- Approve all credit card statements prior to those expenses being processed in the accounting system and subsequently paid

- Approve (or delegate to the CLA controller if applicable) all customer and vendor credit memos and accounts receivable amounts written off
- Review and approve (or delegate to the CLA controller if applicable) all bank statements and affiliated monthly reconciliations

Other provisions

Except as expressly permitted by the “Consent” section of this agreement, CLA shall not disclose any confidential, proprietary, or privileged information of the district or you to any person or party, unless the district or you authorizes us to do so, it is published or released by the district, it becomes publicly known or available other than through disclosure by us, or disclosure is required by law. This confidentiality provision does not prohibit us from disclosing your information to one or more of our affiliated companies in order to provide services that you have requested from us or from any such affiliated company. Any such affiliated company shall be subject to the same restrictions on the use and disclosure of your information as apply to us.

Pursuant to authority given by law or regulation, we may be requested to make certain workpapers available to a regulator for its regulatory oversight purposes. We will notify you of any such request, if permitted by law. Access to the requested workpapers will be provided to the regulator under the supervision of CLA personnel and at a location designated by our firm. Furthermore, upon request, we may provide copies of selected workpapers to such regulator. The regulator may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

You acknowledge and agree that this agreement and the pricing structure and billing rates of CLA are sensitive information which you shall not furnish or otherwise disclose to any third party without the prior written consent of CLA or as required by the Colorado Open Records Act, Section 24-72-200.1 et seq., C.R.S. (“CORA”).

Insurance:

CLA shall acquire and maintain in full force and effect, during the entire term of the MSA, the insurance coverages set forth in below in order to protect the district including its board of directors, and CLA from claims that arise out of or result from the operations under this MSA by the CLA or its affiliates or by anyone acting on their behalf or for which they may be liable. Failure to maintain the insurance policies shall be a material breach of this MSA and the district may request certificates of insurance reflecting the coverages outlined below.

- A.** Workers’ Compensation Insurance
- B.** Commercial General Liability Insurance
- C.** Commercial Automobile Liability Insurance
- D.** General Professional Liability
- E.** Network Security (Cyber) Liability Insurance

F. Excess/Umbrella Liability Coverage

The relationship of CLA with the district shall be solely that of an independent contractor and nothing in this agreement shall be construed to create or imply any relationship of employment, agency, partnership, or any relationship other than an independent contractor.

If applicable, accounting standards and procedures will be suggested that are consistent with those normally utilized in a district of your size and nature. Internal controls may be recommended relating to the safeguarding of the district's assets. If fraud is initiated by your employees or other service providers, your insurance is responsible for covering any losses.

The district agrees that CLA will assume fiduciary responsibility on the district's behalf during the course of this agreement only if provided in SOWs issued under this MSA; and the parties, in entering into this MSA, do not intend to create an overarching fiduciary relationship.

CLA may, at times, utilize external web applications to receive and process information from our clients; however, it is not appropriate for you to upload protected health information using such applications. All protected health information contained in a document or file that you plan to transmit to us via a web application must be redacted by you to the maximum extent possible prior to uploading the document or file. In the event that you are unable to remove or obscure all protected health information, please contact us to discuss other potential options for transmitting the document or file.

Annual Appropriation and Budget

The district does not intend hereby to create a multiple-fiscal year direct or indirect debt or other financial obligation whatsoever. CLA expressly understands and agrees that the district's obligations under this MSA shall extend only to monies appropriated for the purposes of this MSA by the board of directors and shall not constitute a mandatory charge, requirement or liability in any ensuing fiscal year beyond the then-current fiscal year. No provision of this MSA shall be construed or interpreted as a delegation of governmental powers by the district, or as creating a multiple-fiscal year direct or indirect debt or other financial obligation whatsoever of the district or statutory debt limitation, including, without limitation, Article X, Section 20 or Article XI, Section 6 of the Constitution of the State of Colorado. No provision of this MSA shall be construed to pledge or to create a lien on any class or source of district funds. The district's obligations under this MSA exist subject to annual budgeting and appropriations, and shall remain subject to the same for the entire term of this MSA.

Governmental Immunity

Nothing in this MSA shall be construed to waive, limit, or otherwise modify, in whole or in part, any governmental immunity that may be available by law to the district, its respective officials, employees, contractors, or agents, or any other person acting on behalf of the district and, in particular, governmental immunity afforded or available to the district pursuant to the Colorado Governmental Immunity Act, §§ 24-10-101, et seq., C.R.S.

No Third-Party Beneficiaries

It is expressly understood and agreed that enforcement of the terms and conditions of this MSA, and all rights of action relating to such enforcement, shall be strictly reserved to the Parties and nothing contained

in this MSA shall give or allow any such claim or right of action by any third party. It is the express intention of the Parties that any person other than Parties receiving services or benefits under this MSA shall be deemed to be an incidental beneficiary only.

Personal Identifying Information

During the performance of this MSA, the district may disclose Personal Identifying Information to CLA. “Personal Identifying Information” means a social security number; a personal identification number; a password; a pass code; an official state or government-issued driver’s license or identification card number; a government passport number; biometric data, as defined in § 24-73-103(1)(a), C.R.S.; an employer, student, or military identification number; or a financial transaction device, as defined in § 18-5-701(3), C.R.S. In compliance with § 24-73-102, C.R.S., CLA agrees to implement and maintain reasonable security procedures and practices that are: (i) appropriate to the nature of the Personal Identifying Information disclosed to CLA; and (ii) reasonably designed to help protect the Personal Identifying Information from unauthorized access, use, modification, disclosure, or destruction.

CLA agrees to report within twenty-four (24) hours to the district’s board of directors any Data Security Incidents that may result in the unauthorized disclosure of Personal Identifying Information. For the purposes of this MSA “Data Security Incident” is defined to mean any actual or reasonably suspected: (a) unauthorized use of, or unauthorized access to, CLA systems; (b) inability to access business and other proprietary information, data, or the CLA systems due to a malicious use, attack, or exploit of such business and other proprietary information or systems; (c) unauthorized access to, theft of, or loss of business and other proprietary information, or of storage devices that could reasonably contain such information; (d) unauthorized use of business and other proprietary information or data for purposes of actual or reasonably suspected theft, fraud, or identity theft; (e) unauthorized disclosure of business and other proprietary information or data.

Consent to use financial information

Annually, we assemble a variety of benchmarking analyses using data obtained through our client engagements. Some of this benchmarking information is published and released publicly. However, the information that we obtain is confidential, as required by the AICPA Code of Professional Conduct. Your acceptance of this MSA will serve as your consent to use of Hawthorn Metro District information, excluding Personal Identifying Information, in these cost comparison, performance indicator, and/or benchmarking reports.

Technology

CLA may, at times, use third-party software applications to perform services under this agreement. CLA can provide a copy of the application agreement at your request. You acknowledge the software vendor may have access to your data.

Colorado law requires special districts to maintain websites and further requires that certain documents which may be prepared by CLA to be uploaded to those websites. CLA specifically acknowledges and agrees that the district may upload to its website any documents prepared by CLA for the district and further, that those documents may be used in public meetings hosted by or to which the district is a party.

Counterpart Execution

This MSA may be executed in counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.

Electronic Signatures

The parties consent to the use of electronic signatures pursuant to the Uniform Electronic Transactions Act, Sections 24-71.3-101, et seq., Colorado Revised Statutes, as may be amended from time to time. The MSA, and any other documents requiring a signature hereunder, may be signed electronically by the parties in a manner acceptable to the district. The parties agree not to deny the legal effect or enforceability of the MSA solely because it is in electronic form or because an electronic record was used in its formation. The parties agree not to object to the admissibility of the MSA in the form of an electronic record, or a paper copy of an electronic document, or a paper copy of a document bearing an electronic signature, on the ground that it is an electronic record or electronic signature or that it is not in its original form or is not an original.

MSA Modification

The MSA may not be amended, altered, or otherwise changed except by a written agreement signed by authorized representatives of the parties.

Termination of MSA

Either party may terminate this MSA at any time by giving 30 days written notice to the other party. In that event, the provisions of this MSA shall continue to apply to all services rendered prior to termination.

Agreement

We appreciate the opportunity to be of service to you and believe this MSA accurately summarizes the significant terms of our relationship. This MSA, along with the applicable SOW(s), constitute the entire agreement regarding services to be performed and supersedes all prior agreements (whether oral or written), understandings, negotiations, and discussions between you and CLA. If you have any questions, please let us know. If you agree with the terms of our relationship as described in this MSA, please sign, date, and return.

CliftonLarsonAllen LLP

Gigi Pangindian

Principal

(303) 265-7821

gigi.pangindian@claconnect.com

Response

This MSA correctly sets forth the understanding of Hawthorn Metro District and is accepted by:

CLA
CLA

Gigi Pangindian

Gigi Pangindian, Principal

SIGNED 12/3/2023, 5:26:01 PM MST

Client
Hawthorn Metro District

SIGN:

Krystal Bigly, President

DATE:



Special Districts Preparation Statement of Work

Date: December 3, 2023

This agreement constitutes a Statement of Work (“SOW”) to the Master Service Agreement (“MSA”) made by and between CliftonLarsonAllen LLP (“CLA,” “we,” “us,” and “our”) and Hawthorn Metro District (“you,” “your,” “board of directors” or “the district”) dated October 15, 2023 or any superseding MSA. The purpose of this SOW is to outline certain services you wish us to perform through December 31, 2024 in connection with that agreement.

Scope of professional services

Gigi Pangindian is responsible for the performance of the preparation engagement and other services identified in this agreement. They may be assisted by one or more of our authorized signers in the performance of the preparation engagement.

Ongoing normal accounting services:

- Outsourced accounting activities
 - For each fund of the district, CLA will generally prepare and maintain the following accounting records:
 - Cash receipts journal
 - Cash disbursements journal
 - General ledger
 - Accounts receivable journals and ledgers
 - Deposits with banks and financial institutions
 - Schedule of disbursements
 - Bank account reconciliations
 - Investment records
 - Detailed development fee records

- Process accounts payable including the preparation and issuance of checks for approval by the board of directors
- Prepare billings, record billings, enter cash receipts, and track revenues
- Reconcile certain accounts regularly and prepare journal entries
- Prepare depreciation schedules
- Prepare quarterly financial statements and supplementary information, but not perform a compilation with respect to those financial statements; additional information is provided below
- Prepare a schedule of cash position to monitor the district's cash deposits, funding for disbursements, and investment programs in accordance with policies established by the district's board of directors and in accordance with state law
- At the direction of the board of directors, assist with the coordination and execution of banking and investment transactions and documentation
- Prepare the annual budget and assist with the filing of the annual budget
- Assist the district's board of directors in monitoring actual expenditures against appropriation/budget
- If an audit is required, prepare the year-end financial statements (additional information is provided below) and related audit schedules for use by the district's auditors
- If an audit is not required, prepare the Application for Exemption from Audit, perform a compilation engagement with respect to the Application for Exemption from Audit, and assist with the filing of the Application for Exemption from Audit – additional information is provided below
- Monitor compliance with bond indentures and trust agreements, including preparation of continuing disclosure reports to the secondary market as required
- Review claims for reimbursement from related parties prior to the board of directors' review and approval
- Read supporting documentation related to the district's acquisition of infrastructure or other capital assets completed by related parties for overall reasonableness and completeness
 - Procedures in excess of providing overall reasonableness and completeness will be subject to a separate SOW

- These procedures may not satisfy district policies, procedures, and agreements' requirements
 - Note: our procedures should not be relied upon as the final authorization for this transaction
- Attend board meetings as requested
 - Be available during the year to consult with you on any accounting matters related to the district
 - Review and approve monthly reconciliations and journal entries prepared by staff
 - Reconcile complex accounts monthly and prepare journal entries
 - Analyze financial statements and present to management and the board of directors
 - Develop and track key business metrics as requested and review periodically with the board of directors
 - Document accounting processes and procedures
 - Continue process and procedure improvement implementation
 - Report on cash flows
 - Assist with bank communications
 - Perform other non-attest services

Compilation services

If an audit is not required, we will complete the Application for Exemption from Audit in the form prescribed by the Colorado Office of the State Auditor and perform a compilation engagement with respect to the Application for Exemption from Audit.

Preparation services - financial statements

We will prepare the quarterly financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information if applicable of the district, which comprise the balance sheet – governmental funds and the related statement of revenues, expenditures, and changes in fund balance – general fund. The financial statements will not include the related notes to the financial statements; the government-wide financial statements; the statement of revenues, expenditures, and changes in fund balances – governmental funds; statement of cash flows for business type activities, if applicable; and required supplementary information.

Preparation services - annual

If an audit is required, we will prepare the year-end financial statements of the government wide governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information if applicable, and Management Discussion and Analysis, if applicable, which collectively comprise the basic financial statements of the district, and the related notes to the financial statements. The year-end financial statements, including the related notes to the financial statements, will be prepared for use by the district's auditors.

Preparation services – prospective financial information (i.e., unexpired budget information)

You have requested that we prepare the financial forecast, which comprises the forecasted financial statements identified below.

A financial forecast presents, to the best of management's knowledge and belief, the entity's expected financial position, results of operations, and cash flows for the forecast period. It is based on management's assumptions reflecting conditions it expects to exist and the course of action it expects to take during the forecast period.

The financial forecast will omit substantially all of the disclosures required by the guidelines for presentation of a financial forecast established by the American Institute of Certified Public Accountants (AICPA presentation guidelines) other than those related to the significant assumptions.

The supplementary information accompanying the financial forecast will be prepared and presented for purposes of additional analysis and is not a required part of the basic financial forecast. References to financial statements in the remainder of this SOW are to be taken as a reference to also include the prospective financial information, where applicable.

Engagement objectives and our responsibilities

The objectives of our engagement are to:

- a) Prepare quarterly financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP), except for the departures from U.S. GAAP identified above, based on information provided by you and information generated through our outsourced accounting services.
- b) As requested, apply accounting and financial reporting expertise to assist you in the presentation of your quarterly financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements in order for them to be in accordance with U.S. GAAP, except for the departures from U.S. GAAP identified above.
- c) Prepare the annual budget in accordance with the requirements prescribed by Colorado Revised Statutes C.R.S. 29-1-105 based on information provided by you.
- d) Apply accounting and financial reporting expertise to assist you in the presentation of the annual budget without undertaking to obtain or provide any assurance that there are no material

modifications that should be made to the annual budget in order for the annual budget to be in accordance with requirements prescribed by Colorado Revised Statutes C.R.S. 29-1-105.

- e) If an audit is required, prepare the year-end financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) based on information provided by you.
- f) If applicable, we will complete the Application for Exemption from Audit in the form prescribed by the Colorado Office of the State Auditor and perform a compilation engagement on the application.

We will conduct our preparation and compilation engagements in accordance with Statements on Standards for Accounting and Review Services (SSARSS) promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants (AICPA) and comply with the AICPA's Code of Professional Conduct, including the ethical principles of integrity, objectivity, professional competence, and due care.

Engagement procedures and limitations

We are not required to, and will not, verify the accuracy or completeness of the information provided to us for the engagement or otherwise gather evidence for the purpose of expressing an opinion or a conclusion. Accordingly, we will not express an opinion, a conclusion, nor provide any assurance on the financial statements, the annual budget, the Application for Exemption from Audit (if an audit is not required), the year-end financial statements (if an audit is required), and the supplementary information.

Our engagement cannot be relied upon to identify or disclose any misstatements in the quarterly financial statements, the annual budget, the Application for Exemption from Audit, and the year-end financial statements, including misstatements caused by fraud or error, or to identify or disclose any wrongdoing within the district or noncompliance with laws and regulations. However, if any of the foregoing are identified as a result of our engagement, we will promptly report this information to the board of directors of the district. We have no responsibility to identify and communicate deficiencies in your internal control as part of this engagement, but will promptly report them to the board of directors of the district if they are identified. You agree that we shall not be responsible for any misstatements in the district's financial statements, the annual budget, the Application for Exemption from Audit, and the year-end financial statements that we may not identify as a result of misrepresentations made to us by you.

Our report

The compilation report on the Application for Exemption from Audit will state that management is responsible for the accompanying application included in the prescribed form, that we performed a compilation of the application, that we did not audit or review the application, and that, accordingly, we do not express an opinion a conclusion, nor provide any form of assurance on it. The report will also state that the Application for Exemption from Audit is presented in accordance with the requirements of the Colorado Office of the State Auditor and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America. The report will include a statement that the report is intended solely for the information and use of the Colorado Office of the State Auditor and is not intended to be and should not be used by anyone other than this specified party and may not be suitable for another

purpose.

There may be circumstances in which the report may differ from its expected form and content. If, for any reason, we are unable to complete the compilation on the Application for Exemption from Audit (if an audit is not required), we will not issue report on the Application for Exemption from Audit as a result of this engagement.

No assurance statements

The quarterly financial statements prepared for the district will not be accompanied by a report. However, management agrees that each page of the financial statements will include a statement clearly indicating that no assurance is provided on them.

As part of our preparation of financial statements each page of the financial statements and supplementary information will include the following statement: “No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures, and changes in fund balances – governmental funds have been omitted if applicable, For business type activities, the Statement of Cash Flows has been omitted”.

If an audit is required, the year-end financial statements prepared for use by the district’s auditors will not be accompanied by a report. However, management agrees that each page of the year-end financial statements will include a statement clearly indicating that no assurance is provided on them.

Management responsibilities

The financial statement engagement to be performed is conducted on the basis that management acknowledges and understands that our role is to prepare financial statements in accordance with U.S. GAAP and assist management in the presentation of the financial statements in accordance with U.S. GAAP, except for the departures from U.S. GAAP identified above.

The annual budget engagement to be performed is conducted on the basis that management acknowledges and understands that our role is to prepare the annual budget in accordance with the requirements prescribed by Colorado Revised Statutes C.R.S. 29.1.105 and assist management in the presentation of the annual budget in accordance with the requirements prescribed by Colorado Revised Statutes C.R.S. 29.1.105.

The Application for Exemption from Audit engagement to be performed is conducted on the basis that management acknowledges and understands that our role is to prepare the Application for Exemption from Audit in accordance with the requirements prescribed by the Colorado Office of the State Auditor and assist management in the presentation of the Application for Exemption from Audit in accordance with the requirements prescribed by the Colorado Office of the State Auditor.

We are required by professional standards to identify management’s responsibilities in this agreement. Professional standards define management as the persons with executive responsibility for the conduct of the district’s operations and may include some or all of those charged with governance. Those standards require that you acknowledge and understand that management has the following overall responsibilities that are fundamental to our undertaking the engagement in accordance with SSARs:

- a) The selection of the financial reporting framework to be applied in the preparation of the financial statements, the annual budget, and the Application for Exemption from Audit.
- b) The preparation and fair preparation of the financial statements in accordance with U.S. GAAP, except as identified as above, the preparation and fair presentation of the annual budget in accordance with the requirements prescribed by Colorado Revised Statutes C.R.S. 29.1.105, and the preparation and fair presentation of the Application for Exemption from Audit (if applicable) in accordance with the requirements prescribed by the Colorado Office of the State Auditor.
- c) The presentation of the supplementary information.
- d) The design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) that are free from material misstatement, whether due to fraud or error.
- e) The prevention and detection of fraud.
- f) To ensure that the entity complies with the laws and regulations applicable to its activities.
- g) The accuracy and completeness of the records, documents, explanations, and other information, including significant judgments, you provide to us for the engagement to prepare financial statements.
- h) To provide us with the following:
 - i) Access to all information relevant to the preparation and fair presentation of the financial statements, and the annual budget, the Application for Exemption from Audit (if applicable) such as records, documentation, and other matters.
 - ii) Additional information that may be requested for the purpose of the engagement.
 - iii) Unrestricted access to persons within the entity with whom we determine it necessary to communicate.

We understand that you are engaging us to make recommendations and perform services to help you meet your responsibilities relevant to the preparation and fair presentation of the financial statements, the annual budget, and the Application for Exemption from Audit (if applicable).

For all accounting services we may provide to you, including the preparation of your financial statements, the annual budget, and the Application for Exemption from Audit (if applicable), management agrees to assume all management responsibilities; oversee the services by designating an individual (i.e., the board treasurer); evaluate the adequacy and results of the services; and accept responsibility for the results of the services.

Fees and terms

Billing rates guaranteed through **December 31, 2024**:

| Services performed by | Rate per hour |
|------------------------------|----------------------|
| Principal | \$300-\$600 |
| Consulting CFO | \$290-\$400 |
| Consulting Controller | \$240-\$380 |
| Assistant Controller | \$210-\$290 |
| Senior | \$150-\$220 |
| Staff | \$130-\$190 |
| Administrative Support | \$120-\$170 |

Subsequent to the billing rate guarantee date, the rates may be adjusted as agreed between you and CLA through a new SOW.

Our professional fees will be billed based on the degree of responsibility and contribution of the professionals working on the engagement. We will also bill for expenses (including internal and administrative charges) plus a technology and client support fee of five percent (5%) of all professional fees billed.

Use of financial statements, the annual budget, the Application for Exemption from Audit

The financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) are for management's use. If you intend to reproduce and publish the financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) and our report thereon, they must be reproduced in their entirety. Inclusion of the financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) in a document, such as an annual report or an offering document, should be done only with our prior approval of the document. You are responsible to provide us the opportunity to review such documents before issuance.

With regard to the electronic dissemination of financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) that have been subjected to a compilation engagement, including financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in those sites or to consider the consistency of other information in the electronic site with the original document.

We may issue preliminary draft financial statements to you for your review. Any preliminary draft financial

statements should not be relied on or distributed.

Municipal advisors

For the avoidance of doubt, the district is not engaging CLA as a municipal advisor, and CLA is not a municipal advisor as defined in Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act or under Section 158 of the Securities Exchange Act of 1934 (the “Act”). CLA is not recommending an action to you, is not acting as an advisor to you, and does not owe a fiduciary duty to you pursuant to Section 158 of the Act with respect to the information and material contained in the deliverables issued under this engagement. You should discuss any information and material contained in the deliverables with any and all internal and external advisors that you deem appropriate before acting on this information or material.

Agreement

We appreciate the opportunity to provide the services described in this SOW related to the MSA. All terms and provisions of the MSA shall apply to these services. If you agree with the terms of this SOW, please sign below and return a signed copy to us to indicate your acknowledgment and understanding of, and agreement with, this SOW.

CliftonLarsonAllen LLP

Gigi Pangindian

Principal

(303) 265-7821

gigi.pangindian@claconnect.com

Response

This SOW correctly sets forth the understanding of Hawthorn Metro District and is accepted by:

CLA
CLA

Gigi Pangindian

Gigi Pangindian, Principal

SIGNED 12/5/2023, 3:56:06 PM MST

Client
Hawthorn Metro District

SIGN:

Krystal Bigly, President

DATE:



Professionals In Association Management

11002 Benton Street
Westminster, CO 80020-3200

October 20, 2023

Dear Hawthorn Metropolitan District No. 2 Board President,

It is once again time to renew our management agreement with your district. We certainly appreciate our relationship with your district and your confidence in our services. We've been working with associations and districts for 40 years along the front range and remain focused on providing consistent and professional management services. We are very proud of our A+ rating with the Better Business Bureau and are always exploring ways to improve our service.

Please feel free to take this new fee and incorporate it into an attorney prepared contract for us to sign.

There are no changes to the services. Our amendment provides for a 3% increase in your current base management fee of \$1,030 per month. The proposed fee will be \$1,061 per month. Attached is a copy of the amendment for Board signature.

More than ever, we appreciate the relationship we have with your district and your confidence in our services. Should you have any questions or suggestions, please do not hesitate to contact me.

Sincerely,

Garon Duncan
Chief Executive Officer

HMD MGMT

cc: Other Board Members

ADDENDUM TO MANAGEMENT AGREEMENT
BETWEEN
HAWTHORN METROPOLITAN DISTRICT NO. 2
AND
MSI, LLC

That certain Agreement, for a term of twelve (12) months from January 1, 2024 through December 31, 2024, by and between **HAWTHORN METROPOLITAN DISTRICT NO. 2** through its Board of Directors (hereinafter called the "**District**"), a Colorado non-profit corporation, and **MSI, LLC**, a Colorado Limited Liability Company ("hereinafter called the "**Contractor**") is hereby amended as follows:

PAGE 20

For the base services described and sought in the RFP, our fee would be \$1,061 per month, plus applicable administrative (primarily paper/postage) costs detailed in the enclosed draft agreement. Our bid includes quarterly attendance at daytime board meetings and providing reports to the board as often as requested.

The total annual estimated cost of this contract, to include the website hosting, is \$15,321.

All other terms and conditions of the Agreement and any addendums to date remain unchanged and in full force and effect. The parties have executed their signatures on the dates indicated, in full understanding and agreement to the terms and conditions herein.

MSI, LLC

BY:  _____

_____ **Garon Duncan**
(Printed Name)

DATE: 10.20.2023

HAWTHORN METROPOLITAN DISTRICT NO. 2

BY:  _____

_____ (Printed Name)

DATE: _____

**FIRST ADDENDUM
TO
INDEPENDENT CONTRACTOR AGREEMENT
(Sidewalk Drainage)**

This **FIRST ADDENDUM TO INDEPENDENT CONTRACTOR AGREEMENT** (the “**First Addendum**”) is entered into on the 2nd day of February, 2024, by and between **HAWTHORN METROPOLITAN DISTRICT**, a quasi-municipal corporation and political subdivision of the State of Colorado (the “**District**”), and **ENVIRONMENTAL LANDWORKS COMPANY, INC.**, a Colorado corporation (the “**Contractor**”), collectively referred to herein as the “Parties.”

RECITALS:

WHEREAS, the Parties entered into an *Independent Contractor Agreement (Landscape Maintenance 2024-2025)*, dated December 4, 2023 (the “**Agreement**”); and

WHEREAS, the Agreement sets forth the scope of Services to be provided by the Contractor to the District; and

WHEREAS, the Parties desire to enter into this First Addendum to add additional Services to the Agreement and to increase the compensation due to the Contractor as a result of the additional Services.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties covenant and agree as follows:

TERMS AND CONDITIONS:

1. ADDENDUM TO SCOPE OF SERVICES AND COMPENSATION SCHEDULE. The Parties hereby amend the Scope of Services and Compensation Schedule set forth in Exhibit A of the Agreement to add the additional scope of Services set forth in Exhibit A attached hereto and incorporated, for the additional compensation set forth in Exhibit A attached hereto and incorporated herein.


2. PRIOR PROVISIONS EFFECTIVE. Except as expressly modified by this First Addendum, all terms and provisions of the Agreement shall remain in full force and effect.

3. COUNTERPART EXECUTION. This First Addendum may be executed in several counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument. Executed copies of this First Addendum may be delivered by facsimile or email of a PDF document, and, upon receipt, shall be deemed originals and binding upon the signatories to this First Addendum.

IN WITNESS WHEREOF, the Parties have caused this First Addendum to be duly executed and delivered by their respective officers thereunto duly authorized as of the date first above written.

DISTRICT:

HAWTHORN METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado


Krystal L. Bigley (Feb 11, 2024 14:38 MST)


Officer of the District

ATTEST:

STEPHEN DANIELS
STEPHEN DANIELS (Feb 5, 2024 13:21 MST)

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law



General Counsel to the District

CONTRACTOR:
ENVIRONMENTAL LANDWORKS
COMPANY, INC., a Colorado limited liability company



Troy Sporleder

Printed Name
Officer

Title

EXHIBIT A



17173 Mt. Vernon Rd
Golden, CO 80401
PH : 303.862.9480

Hawthorne HOA

Sidewalk Grade

To: MGR / Owner
Email
Phone

Date:
Job:
Address

Description:

Description of proposed change:
At sidewalk where soil has created a dam effect adjacent to sidewalk, cut out excess soil next to the sidewalk, and make minor grade adjustment to direct water southeast into the existing swale and drainage ditch. Soil will be used in the native area to fill in any low spot. Native seed will be spread in disturbed areas, and erosion blanket will be placed over the area.

| <u>Quantity</u> | <u>Unit</u> | <u>Description</u> | <u>Unit Price</u> | <u>Total Price</u> |
|-----------------|-------------|---|-------------------|--------------------|
| 1 | LS | Grade adjustment at Sidewalk as shown in Diagram | \$ 2,590.00 | \$ 2,590.00 |
| | | * Work is based on a visual inspection to determine cause of water / ice / sedimentation on the sidewalk. This may require future maintenance to maintain the water flow. This work is not meant to prevent water from the west side of the sidewalk flowing over the walk to the east. | \$ - | \$ - |
| | | * Additional measures would be a drain system under the walk, or a chase drain crossing the walk, which would likely be denied by City / County | \$ - | \$ - |

The total amount to provide this work is **\$2,590.00**

Submitted by: **TJ Leonard**

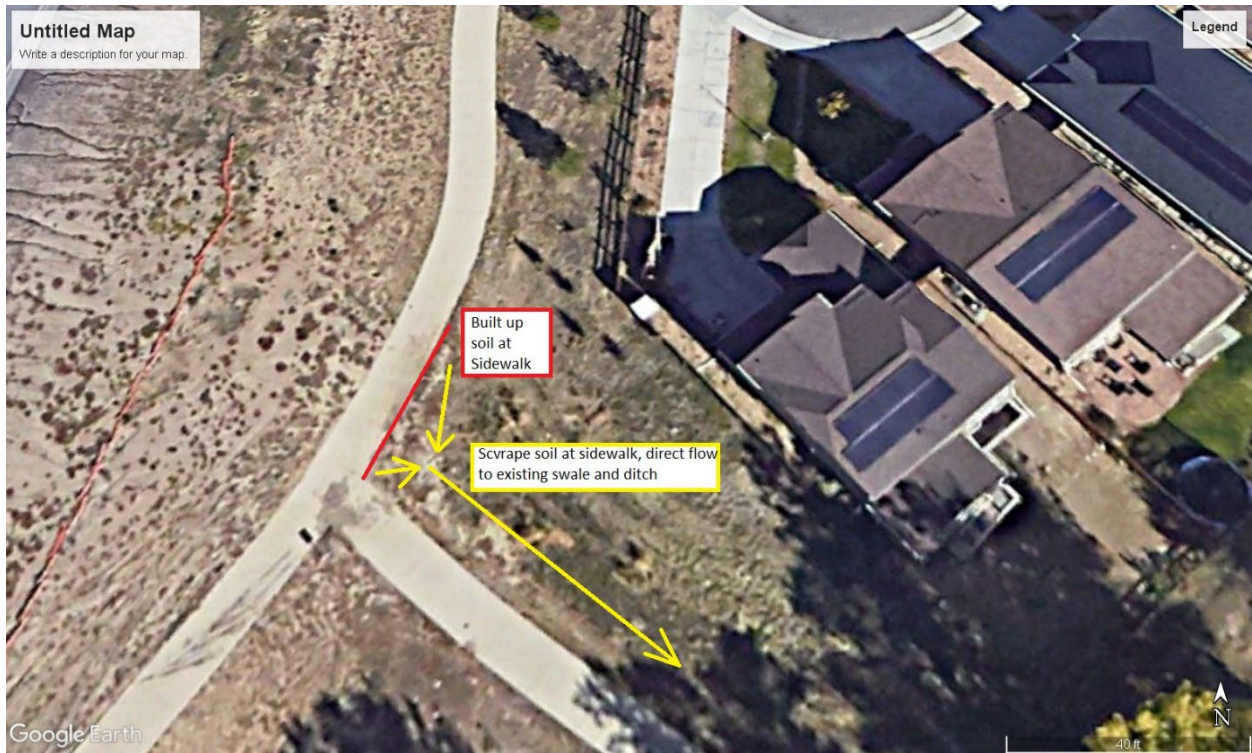
Approved by: _____

Date: _____

All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. All agreements are contingent upon strikes, accidents, or delays beyond our control.

EXCLUSIONS

1. Irrigation repairs or modifications will be billed at the Time and Materials rate of \$80.00/hour plus materials.



HAWTHORN METROPOLITAN DISTRICT

FINANCIAL STATEMENTS

DECEMBER 31, 2023

Hawthorn Metro District No. 2
Balance Sheet - Governmental Funds
December 31, 2023

| | <u>General</u> | <u>Debt Service</u> | <u>Total</u> |
|--|----------------------|----------------------|------------------------|
| Assets | | | |
| Checking Account | \$ 14,124.97 | \$ - | \$ 14,124.97 |
| CSAFE | 95,923.84 | - | 95,923.84 |
| Zions Payment Fund - Series 2022 | - | 7,846.24 | 7,846.24 |
| Zions Pledged Revenue Fund - Series 2022 | - | 294,841.55 | 294,841.55 |
| Accounts Receivable | 3,140.40 | - | 3,140.40 |
| Receivable from County Treasurer | 1,181.95 | 1,871.04 | 3,052.99 |
| Property Tax Receivable | 358,296.00 | 567,195.00 | 925,491.00 |
| Prepaid Insurance | 12,584.00 | - | 12,584.00 |
| Total Assets | <u>\$ 485,251.16</u> | <u>\$ 871,753.83</u> | <u>\$ 1,357,004.99</u> |
| Liabilities | | | |
| Accounts Payable | \$ 70,634.86 | \$ - | \$ 70,634.86 |
| Total Liabilities | <u>70,634.86</u> | <u>-</u> | <u>70,634.86</u> |
| Deferred Inflows of Resources | | | |
| Deferred Property Tax | 358,296.00 | 567,195.00 | 925,491.00 |
| Total Deferred Inflows of Resources | <u>358,296.00</u> | <u>567,195.00</u> | <u>925,491.00</u> |
| Fund Balances | <u>56,320.30</u> | <u>304,558.83</u> | <u>360,879.13</u> |
| Liabilities and Fund Balances | <u>\$ 485,251.16</u> | <u>\$ 871,753.83</u> | <u>\$ 1,357,004.99</u> |

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances – governmental funds have been omitted.

Hawthorn Metro District No. 2
General Fund Statement of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
For the Period Ending December 31, 2023

| | <u>Annual Budget</u> | <u>Actual</u> | <u>Variance</u> |
|--------------------------------|----------------------|---------------------|-----------------------|
| Revenues | | | |
| Property taxes | \$ 266,495.00 | \$ 266,489.88 | \$ 5.12 |
| Specific ownership taxes | 18,655.00 | 19,071.39 | (416.39) |
| Interest income | - | 2,975.54 | (2,975.54) |
| Total Revenue | <u>285,150.00</u> | <u>288,536.81</u> | <u>(3,386.81)</u> |
| Expenditures | | | |
| Accounting | 30,000.00 | 26,745.91 | 3,254.09 |
| Auditing | 6,000.00 | 5,100.00 | 900.00 |
| County Treasurer's fee | 3,997.00 | 3,998.13 | (1.13) |
| Directors' fees | 2,000.00 | 1,200.00 | 800.00 |
| Dues and membership | 750.00 | 581.81 | 168.19 |
| Insurance | 12,300.00 | 12,169.00 | 131.00 |
| District management | 18,000.00 | 13,730.95 | 4,269.05 |
| Covenant enforcement | 5,000.00 | 604.00 | 4,396.00 |
| Legal | 50,000.00 | 45,695.99 | 4,304.01 |
| Miscellaneous | 4,651.00 | 3,515.49 | 1,135.51 |
| Election | - | 3,731.53 | (3,731.53) |
| Repairs and maintenance | - | 662.00 | (662.00) |
| Irrigation repairs | 3,000.00 | 10,400.86 | (7,400.86) |
| Landscape improvements | 130,000.00 | 101,585.45 | 28,414.55 |
| Landscape maintenance contract | 30,000.00 | 30,945.00 | (945.00) |
| Grounds cleanup | 3,500.00 | 2,890.00 | 610.00 |
| Snow removal | 17,250.00 | 6,981.00 | 10,269.00 |
| Water | 5,000.00 | 3,980.24 | 1,019.76 |
| Electricity | 250.00 | 631.92 | (381.92) |
| Trash collection | 48,000.00 | 48,237.00 | (237.00) |
| North Table Mtn IGA | 17,250.00 | 17,657.44 | (407.44) |
| Website | 500.00 | 568.91 | (68.91) |
| Total Expenditures | <u>387,448.00</u> | <u>341,612.63</u> | <u>45,835.37</u> |
| Net Change in Fund Balances | (102,298.00) | (53,075.82) | (49,222.18) |
| Fund Balance - Beginning | 110,026.00 | 109,396.12 | 629.88 |
| Fund Balance - Ending | <u>\$ 7,728.00</u> | <u>\$ 56,320.30</u> | <u>\$ (48,592.30)</u> |

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances - governmental funds have been omitted.

SUPPLEMENTARY INFORMATION

Hawthorn Metro District No. 2
Debt Service Fund Schedule of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
For the Period Ending December 31, 2023

| | <u>Annual Budget</u> | <u>Actual</u> | <u>Variance</u> |
|------------------------------|----------------------|----------------------|-----------------------|
| Revenues | | | |
| Property taxes | \$ 421,869.00 | \$ 421,860.89 | \$ 8.11 |
| Specific ownership taxes | 29,531.00 | 30,190.20 | (659.20) |
| Interest income | 8,800.00 | 19,840.32 | (11,040.32) |
| Total Revenue | <u>460,200.00</u> | <u>471,891.41</u> | <u>(11,691.41)</u> |
| Expenditures | | | |
| County Treasurer's fee | 6,328.00 | 6,329.14 | (1.14) |
| Paying agent fees | 8,000.00 | 3,000.00 | 5,000.00 |
| Loan Interest - Series 2022 | 337,041.00 | 341,722.13 | (4,681.13) |
| Loan Principal - Series 2022 | 90,000.00 | 90,000.00 | - |
| Contingency | 8,631.00 | - | 8,631.00 |
| Total Expenditures | <u>450,000.00</u> | <u>441,051.27</u> | <u>8,948.73</u> |
| Net Change in Fund Balances | 10,200.00 | 30,840.14 | (20,640.14) |
| Fund Balance - Beginning | 217,124.00 | 273,718.69 | (56,594.69) |
| Fund Balance - Ending | <u>\$ 227,324.00</u> | <u>\$ 304,558.83</u> | <u>\$ (77,234.83)</u> |

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances - governmental funds have been omitted.

HAWTHORN METROPOLITAN DISTRICT
Schedule of Cash Position
December 31, 2023
Updated as of February 21, 2024

| | <u>General Fund</u> | <u>Debt Service Fund</u> | <u>Total Funds</u> |
|---|----------------------------|------------------------------|-----------------------------|
| <u>First Bank - Checking Account</u> | | | |
| Balance as of 12/31/23 | \$ 14,124.97 | \$ - | \$ 14,124.97 |
| Subsequent activities: | | | |
| 01/05/24 Transfer from CSAFE | 75,000.00 | - | 75,000.00 |
| 01/10/24 Jefferson County Taxes - December | 1,181.95 | 1,871.04 | 3,052.99 |
| 01/10/24 Bill.com payables | (7,326.29) | - | (7,326.29) |
| 01/12/24 Pledged Revenue Transfer | - | (1,871.04) | (1,871.04) |
| 01/12/24 Bill.com payables | (61,190.00) | - | (61,190.00) |
| 01/19/24 Void Bill.com Payment | 15.00 | - | 15.00 |
| 01/23/24 Waste Management ACH | (4,004.27) | - | (4,004.27) |
| 01/29/24 North Table Mountain - Water Payment | (1,025.42) | - | (1,025.42) |
| 02/09/24 Bill.com payables | (5,094.37) | - | (5,094.37) |
| 02/12/24 Jefferson County Taxes - January | 2,287.50 | 3,621.18 | 5,908.68 |
| Anticipated activities: | | | |
| Anticipated Pledged Revenue Transfer | - | (3,621.18) | (3,621.18) |
| Anticipated Balance | <u>\$ 13,969.07</u> | <u>\$ -</u> | <u>\$ 13,969.07</u> |
| <u>CSAFE</u> | | | |
| Balance as of 12/31/23 | \$ 95,923.84 | \$ - | \$ 95,923.84 |
| Subsequent activities: | | | |
| 01/05/24 Transfer to First Bank | (75,000.00) | - | (75,000.00) |
| 01/31/24 Interest Income | 143.00 | - | 143.00 |
| | <u>\$ 21,066.84</u> | <u>\$ -</u> | <u>\$ 21,066.84</u> |
| <u>Zion Bank 2022 Loan Payment Fund</u> | | | |
| Balance as of 12/31/23 | \$ - | \$ 7,846.24 | \$ 7,846.24 |
| Subsequent activities: | | | |
| 01/02/24 Interest Income | - | 33.33 | 33.33 |
| Anticipated Balance | <u>\$ -</u> | <u>\$ 7,879.57</u> | <u>\$ 7,879.57</u> |
| <u>Zion Bank 2022 Pledged Revenue Fund</u> | | | |
| Balance as of 12/31/23 | \$ - | \$ 294,841.55 | \$ 294,841.55 |
| Subsequent activities: | | | |
| 01/02/24 Interest Income | - | 1,246.36 | 1,246.36 |
| 01/12/24 Pledged Revenue Transfer | - | 1,871.04 | 1,871.04 |
| Anticipated activities: | | | |
| Anticipated Pledged Revenue Transfer | - | 3,621.18 | 3,621.18 |
| Anticipated Balance | <u>\$ -</u> | <u>\$ 301,580.13</u> | <u>\$ 301,580.13</u> |
| Anticipated Balances | <u>\$ 35,035.91</u> | <u>\$ 309,459.70</u> | <u>\$ 344,495.61</u> |
| <u>Yield as of 01/31/24</u> | | | |
| UMB invested in CSAFE - 5.48% | | | |

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances - governmental funds have been omitted.

**HAWTHORN METROPOLITAN DISTRICT
PROPERTY TAX RECONCILIATION
2023**

| | Current Year | | | | | | | Prior Year | | | | |
|-----------|----------------------|--|--------------------------|------------------|-----------------------|---------------|----------------------|------------------------------------|----------------|----------------------|------------------------------------|---------------|
| | Property Taxes | Delinquent Taxes, Rebates & Abatements | Specific Ownership Taxes | Interest | Treasurer's Fees | Due to County | Net Amount Received | % of Total Property Taxes Received | | Total Cash Received | % of Total Property Taxes Received | |
| | | | | | | | | Monthly | Y-T-D | | Monthly | Y-T-D |
| January | \$ 1,601.67 | \$ - | \$ 4,370.48 | \$ - | \$ (24.03) | \$ - | \$ 5,948.12 | 0.23% | 0.23% | \$ 12,926.02 | 1.01% | 1.01% |
| February | 301,272.54 | - | 4,125.26 | - | (4,519.09) | - | 300,878.71 | 43.77% | 44.00% | 352,985.43 | 44.58% | 45.58% |
| March | 38,403.50 | - | 4,323.63 | 15.03 | (576.28) | - | 42,165.88 | 5.58% | 49.58% | 35,765.12 | 3.96% | 49.55% |
| April | 38,083.27 | - | 3,566.15 | - | (571.25) | - | 41,078.17 | 5.53% | 55.11% | 52,262.91 | 6.16% | 55.71% |
| May | 55,816.67 | - | 4,397.71 | 33.08 | (837.75) | - | 59,409.71 | 8.11% | 63.22% | 35,810.36 | 4.01% | 59.72% |
| June | 251,591.19 | - | 3,925.30 | 53.78 | (3,774.67) | - | 251,795.60 | 36.55% | 99.77% | 307,747.38 | 38.87% | 98.59% |
| July | 1,581.93 | - | 4,006.55 | 31.64 | (24.20) | - | 5,595.92 | 0.23% | 100.00% | 8,367.92 | 0.49% | 99.08% |
| August | - | - | 4,718.18 | - | - | - | 4,718.18 | 0.00% | 100.00% | 10,021.56 | 0.51% | 99.59% |
| September | - | - | 4,045.87 | - | - | - | 4,045.87 | 0.00% | 100.00% | 4,663.22 | 0.00% | 99.59% |
| October | - | - | 4,381.46 | - | - | - | 4,381.46 | 0.00% | 100.00% | 4,885.90 | 0.00% | 99.59% |
| November | - | - | 4,348.01 | - | - | - | 4,348.01 | 0.00% | 100.00% | 6,437.51 | 0.23% | 99.83% |
| December | - | - | 3,052.99 | - | - | - | 3,052.99 | 0.00% | 100.00% | 3,509.48 | 0.00% | 99.83% |
| | \$ 688,350.77 | \$ - | \$ 49,261.59 | \$ 133.53 | \$ (10,327.27) | \$ - | \$ 727,418.62 | 100.00% | 100.00% | \$ 835,382.81 | 99.83% | 99.83% |

| Taxes Levied | % of Levied | Property Taxes Collected | % Collected to Amount Levied | |
|---------------------|-------------------|--------------------------|------------------------------|----------------|
| Property Tax | | | | |
| General Fund | \$ 266,495 | 38.71% | \$ 266,489.88 | 100.00% |
| Debt Service Fund | 421,869 | 61.29% | 421,860.89 | 100.00% |
| | \$ 688,364 | 100.00% | \$ 688,350.77 | 100.00% |

Specific Ownership Tax

| | | | | |
|-------------------|------------------|----------------|---------------------|----------------|
| General Fund | \$ 18,655 | 38.71% | \$ 19,071.41 | 102.23% |
| Debt Service Fund | 29,531 | 61.29% | 30,190.18 | 102.23% |
| | \$ 48,186 | 100.00% | \$ 49,261.59 | 102.23% |

Treasurer's Fees

| | | | | |
|-------------------|------------------|----------------|---------------------|----------------|
| General Fund | \$ 3,997 | 38.71% | \$ 3,998.13 | 100.03% |
| Debt Service Fund | 6,328 | 61.29% | 6,329.14 | 100.02% |
| | \$ 10,325 | 100.00% | \$ 10,327.27 | 100.02% |

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances - governmental funds have been omitted.

**HAWTHORN METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

\$8,715,000

General Obligation Refunding Loan

Series 2022, Dated August 3, 2022

Interest Rate 3.942% to 4.928%

Payable June 1 and December 1

Principal Due December 1

| <u>Year Ending December 31,</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|-------------------------------------|---------------------|---------------------|----------------------|
| 2023 | \$ 90,000 | \$ 337,041 | \$ 427,041 |
| 2024 | 115,000 | 333,493 | 448,493 |
| 2025 | 120,000 | 328,960 | 448,960 |
| 2026 | 130,000 | 324,230 | 454,230 |
| 2027 | 140,000 | 319,105 | 459,105 |
| 2028 | 155,000 | 313,586 | 468,586 |
| 2029 | 160,000 | 307,476 | 467,476 |
| 2030 | 175,000 | 301,169 | 476,169 |
| 2031 | 180,000 | 294,270 | 474,270 |
| 2032 | 200,000 | 287,175 | 487,175 |
| 2033 | 205,000 | 279,290 | 484,290 |
| 2034 | 225,000 | 271,210 | 496,210 |
| 2035 | 235,000 | 262,340 | 497,340 |
| 2036 | 250,000 | 253,076 | 503,076 |
| 2037 | 260,000 | 243,221 | 503,221 |
| 2038 | 280,000 | 232,972 | 512,972 |
| 2039 | 295,000 | 221,935 | 516,935 |
| 2040 | 315,000 | 210,306 | 525,306 |
| 2041 | 325,000 | 197,888 | 522,888 |
| 2042 | 340,000 | 193,955 | 533,955 |
| 2043 | 340,000 | 195,975 | 535,975 |
| 2044 | 365,000 | 180,675 | 545,675 |
| 2045 | 390,000 | 164,250 | 554,250 |
| 2046 | 405,000 | 146,700 | 551,700 |
| 2047 | 425,000 | 128,475 | 553,475 |
| 2048 | 445,000 | 109,350 | 554,350 |
| 2049 | 465,000 | 89,325 | 554,325 |
| 2050 | 485,000 | 68,400 | 553,400 |
| 2051 | 505,000 | 46,575 | 551,575 |
| 2052 | 530,000 | 23,850 | 553,850 |
| | <u>\$ 8,550,000</u> | <u>\$ 6,666,273</u> | <u>\$ 15,216,273</u> |

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances - governmental funds have been omitted.

Hawthorn Metropolitan District
Interim Claims Listing 11/29/23 - 2/27/24

| Process Date | Vendor | Invoice Number | Amount |
|---------------------|---------------------------------------|-----------------------|-----------------|
| 11/29/23 | Golden Community Center | 2703212 | \$ (200.00) |
| 12/22/23 | Diversified Underground | 28820 | (10.00) |
| 12/22/23 | CliftonLarsonAllen LLP | 3959269 | (2,457.19) |
| 12/22/23 | CliftonLarsonAllen LLP | 3986388 | (1,674.05) |
| 12/22/23 | UNCC | 223110740 | (2.58) |
| 12/22/23 | CO Special Districts Prop & Liab | 24PL-61168-2887 | (12,134.00) |
| 12/22/23 | Environmental Landworks Company, Inc. | Multiple | (8,930.82) |
| 12/22/23 | MSI, LLC | Multiple | (2,249.80) |
| 12/22/23 | POOP 911 | Multiple | (350.00) |
| 12/22/23 | White Bear Ankele Tanaka & Waldron | Multiple | (7,039.20) |
| 12/25/23 | Waste Management | 8488055-2514-6 | (4,073.00) |
| 01/10/24 | White Bear Ankele Tanaka & Waldron | 32127 | (3,515.00) |
| 01/10/24 | UNCC | 223120701 | (1.29) |
| 01/10/24 | MSI, LLC | MSI042009 | (1,030.00) |
| 01/10/24 | Animal & Pest Control Specialist, Inc | Multiple | (350.00) |
| 01/10/24 | Environmental Landworks Company, Inc. | Multiple | (2,130.00) |
| 01/10/24 | POOP 911 | Multiple | (300.00) |
| 01/12/24 | Environmental Landworks Company, Inc. | Multiple | (61,190.00) |
| 01/22/24 | Waste Management | 8538268-2514-5 | (4,004.27) |
| 02/09/24 | Diversified Underground | 28985 | (5.00) |
| 02/09/24 | UNCC | 224010701 | (2.58) |
| 02/09/24 | Environmental Landworks Company, Inc. | Multiple | (3,315.00) |
| 02/09/24 | MSI, LLC | Multiple | (1,190.79) |
| 02/09/24 | POOP 911 | Multiple | (185.00) |
| 02/09/24 | Krystal Bigley | WIX REIM 2024 | (396.00) |
| | | | \$ (116,735.57) |

**RESOLUTION
OF THE BOARD OF DIRECTORS OF THE
HAWTHORN METROPOLITAN DISTRICT**

DESIGNATING MEETING NOTICE POSTING LOCATION

WHEREAS, the Hawthorn Metropolitan District (the "District") is a quasi-municipal corporation and political subdivision of the State of Colorado; and

WHEREAS, pursuant to § 24-6-402(1)(a), C.R.S., the District is a local public body and subject to the provisions of §§ 24-6-401, et seq., C.R.S.; and

WHEREAS, pursuant to § 32-1-903(2) and § 24-6-402(2)(c), C.R.S., the District shall be considered to have given full and timely notice to the public if notice of the meeting is posted, with specific agenda information if available, on a public website of the District no less than twenty-four (24) hours prior to the meeting; and

WHEREAS, pursuant to § 24-6-402(2)(c), C.R.S., the District shall make the notice posted on the public website accessible at no charge to the public, consider linking the notice to any appropriate social media accounts of the District, and, to the extent feasible, make the notices searchable by type of meeting, date of meeting, time of meeting, agenda contents, and any other category deemed appropriate by the District; and

WHEREAS, pursuant to § 24-6-402(2)(c), C.R.S., the District shall designate a place within the boundaries of the local public body at which it may post a notice no less than twenty-four (24) hours in advance of the meeting in the event that the District is unable to post the notice online due to exigent or emergency circumstances.

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

1. Pursuant to § 24-6-402(2)(c), C.R.S., the Board hereby designates <https://www.hawthornmetrodistrict.org/> as the website at which notices of District meetings will be posted twenty-four (24) hours in advance.

2. Pursuant to § 24-6-402(2)(c), C.R.S., the Board hereby designates the following location for the posting of its meeting notices twenty-four (24) hours in advance in the event that the District is unable to post notice on the District's website:

The three mailbox kiosks

ADOPTED MARCH 4, 2024.

DISTRICT:

HAWTHORN METROPOLITAN DISTRICT,
a quasi-municipal corporation and political
subdivision of the State of Colorado

By: _____
Officer of the District

Attest:

By: _____

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

General Counsel to the District

[Signature Page to Resolution Designating the Meeting Notice Posting Location]