

**MillerLaw<sub>pllc</sub>**  
1555 California Street No. 505  
Denver CO 80202  
303.285.5320

August 1, 2022

Weld County Clerk & Recorder  
1402 North 17th Avenue  
Greeley, CO 80631

Division of Local Government  
Department of Local Affairs  
1313 Sherman Street, Room 521  
Denver, CO 80203

Office of the State Auditor  
Local Government Audit Division  
1525 Sherman Street, 7th Floor  
Denver, CO 80203

Town Council  
Town of Hudson  
50 S. Beech Street, P.O. Box 351  
Hudson, CO 80642

**RE: 2021 Annual Reports**

To Whom It May Concern:

Enclosed for your records is the annual report for 2021 for the below captioned district.  
Please contact me with any questions or concerns. Thank you.

LLA Metropolitan District No. 2

MILLER LAW PLLC

*Sonja Steele*

Sonja Steele  
Paralegal

Enclosures

**LLA METROPOLITAN DISTRICT NO. 2  
COUNTY OF WELD, STATE OF COLORADO**

**ANNUAL REPORT FOR FISCAL YEAR 2021**

Pursuant to the Service Plan for the Lla Metropolitan District No. 2 (the "District"), the District is required to provide an annual report to the Town Of Hudson with regard to the following matters:

- a. Boundary changes made or proposed to the District's boundary as of December 31<sup>st</sup> of the prior year;
- b. Agreements with other governmental entities, either entered into or proposed as of December 31<sup>st</sup> of the prior year;
- c. A list of all facilities and improvements constructed or acquired by the District and those that have been dedicated to and accepted by the Town as of December 31<sup>st</sup> of the prior year;
- d. Audit of the District's financial statements, for the year ending December 31<sup>st</sup> of the previous year, prepared in accordance with generally accepted accounting principles or audit exemption, if applicable;
- e. Notice of continuing disclosure undertaking for events of default by the District, which continue beyond a ninety (90) day period, under any Debt instrument;
- f. Any inability of the District to pay its obligations as they come due, in accordance with the terms of any Debt instruments, which continue beyond a ninety (90) day period

**For the year ending December 31, 2021, the District makes the following report:**

- a. Boundary changes made or proposed to the District's boundary as of December 31<sup>st</sup> of the prior year;  
  
No boundary changes were made during the reporting period.
- b. Agreements with other governmental entities, either entered into or proposed as of December 31<sup>st</sup> of the prior year;  
  
No Intergovernmental Agreements were entered into during the reporting period and none are anticipated at this time.
- c. A list of all facilities and improvements constructed or acquired by the District and those that have been dedicated to and accepted by the Town as of December

31<sup>st</sup> of the prior year;

No public improvements were constructed by the District in the report year.

- d. Audit of the District's financial statements, for the year ending December 31st of the previous year, prepared in accordance with generally accepted accounting principles or audit exemption, if applicable;

The District has filed an application for exemption from the 2021 audit with the State Auditor by the March 31st deadline. A copy of the application is attached hereto as Exhibit A.

- e. Notice of continuing disclosure undertaking for events of default by the District, which continue beyond a ninety (90) day period, under any Debt instrument;

There was no notice of any uncured events of default by the District, which continued beyond a ninety (90) day period, under any debt instrument of which we are aware.

- f. Any inability of the District to pay its obligations as they come due, in accordance with the terms of any Debt instruments, which continue beyond a ninety (90) day period

There was no inability of the District to pay its obligations as they came due, in accordance with the terms of any such obligations, which continued beyond a ninety (90) day period.

**Exhibit A**  
**2021 Audit Exemption Application**

# APPLICATION FOR EXEMPTION FROM AUDIT

## SHORT FORM

NAME OF GOVERNMENT  
ADDRESS

<b>LLA Metropolitan District No.2</b>
<b>c/o Miller &amp; Associates</b>
<b>1641 California Street, Suite 300</b>
<b>Denver, CO 80202</b>
<b>Dianne Miller</b>
<b>303-285-5320</b>
<b>dmiller@ddamalaw.com</b>

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

CONTACT PERSON  
PHONE  
EMAIL  
FAX

### PART 1 - CERTIFICATION OF PREPARER

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

NAME:  
TITLE  
FIRM NAME (if applicable)  
ADDRESS  
PHONE  
DATE PREPARED

Diane Wheeler
District Accountant
Simmons & Wheeler, P.C.
304 Inverness Way South, Suite 490, Englewood CO 80112
303-689-0833
3/4/2022

### PREPARER (SIGNATURE REQUIRED)

*Diane Wheeler*

Please indicate whether the following financial information is recorded using Governmental or Proprietary fund types	<b>GOVERNMENTAL</b> <small>(MODIFIED ACCRUAL BASIS)</small>	<b>PROPRIETARY</b> <small>(CASH OR BUDGETARY BASIS)</small>
	<input checked="" type="checkbox"/>	<input type="checkbox"/>

## PART 2 - REVENUE

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

Line#	Description	Round to nearest Dollar	Please use this space to provide any necessary explanations
2-1	<b>Taxes: Property</b> (report mills levied in Question 10-6)	\$ 24,356	
2-2	Specific ownership	\$ 1,222	
2-3	Sales and use	\$ -	
2-4	Other (specify):	\$ -	
2-5	Licenses and permits	\$ -	
2-6	<b>Intergovernmental: Grants</b>	\$ -	
2-7	Conservation Trust Funds (Lottery)	\$ -	
2-8	Highway Users Tax Funds (HUTF)	\$ -	
2-9	Other (specify):	\$ -	
2-10	Charges for services	\$ -	
2-11	Fines and forfeits	\$ -	
2-12	Special assessments	\$ -	
2-13	Investment income	\$ 8	
2-14	Charges for utility services	\$ -	
2-15	Debt proceeds (should agree with line 4-4, column 2)	\$ -	
2-16	Lease proceeds	\$ -	
2-17	Developer Advances received (should agree with line 4-4)	\$ -	
2-18	Proceeds from sale of capital assets	\$ -	
2-19	Fire and police pension	\$ -	
2-20	Donations	\$ -	
2-21	Other (specify):	\$ -	
2-22		\$ -	
2-23		\$ -	
2-24	(add lines 2-1 through 2-23) <b>TOTAL REVENUE</b>	\$ 25,586	

## PART 3 - EXPENDITURES/EXPENSES

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

Line#	Description	Round to nearest Dollar	Please use this space to provide any necessary explanations
3-1	<b>Administrative</b>	\$ 134	
3-2	Salaries	\$ -	
3-3	Payroll taxes	\$ -	
3-4	Contract services	\$ -	
3-5	Employee benefits	\$ -	
3-6	Insurance	\$ 3,046	
3-7	Accounting and legal fees	\$ 6,415	
3-8	Repair and maintenance	\$ -	
3-9	Supplies	\$ -	
3-10	Utilities and telephone	\$ -	
3-11	Fire/Police	\$ -	
3-12	Streets and highways	\$ -	
3-13	Public health	\$ -	
3-14	Capital outlay	\$ -	
3-15	Utility operations	\$ -	
3-16	Culture and recreation	\$ -	
3-17	Debt service principal (should agree with Part 4)	\$ -	
3-18	Debt service interest	\$ -	
3-19	Repayment of Developer Advance Principal (should agree with line 4-4)	\$ -	
3-20	Repayment of Developer Advance Interest	\$ -	
3-21	Contribution to pension plan (should agree to line 7-2)	\$ -	
3-22	Contribution to Fire & Police Pension Assoc. (should agree to line 7-2)	\$ -	
3-23	Other (specify): Treasurer fees	\$ 365	
3-24	Transfer to LLA MD NO. 1	\$ 14,010	
3-25		\$ -	
3-26	(add lines 3-1 through 3-24) <b>TOTAL EXPENDITURES/EXPENSES</b>	\$ 23,970	

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

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

Please answer the following questions by marking the appropriate boxes.

4-1 Does the entity have outstanding debt? Yes  No   
 If Yes, please attach a copy of the entity's Debt Repayment Schedule.

4-2 Is the debt repayment schedule attached? If no, MUST explain: Yes  No   
 N/A - No Debt

4-3 Is the entity current in its debt service payments? If no, MUST explain: Yes  No   
 N/A - No Debt

4-4 Please complete the following debt schedule, if applicable: (please only include principal amounts)(enter all amount as positive numbers)

	Outstanding at end of prior year*	Issued during year	Retired during year	Outstanding at year-end
General obligation bonds	\$ -	\$ -	\$ -	\$ -
Revenue bonds	\$ -	\$ -	\$ -	\$ -
Notes/Loans	\$ -	\$ -	\$ -	\$ -
Leases	\$ -	\$ -	\$ -	\$ -
Developer Advances	\$ -	\$ -	\$ -	\$ -
Other (specify):	\$ -	\$ -	\$ -	\$ -
<b>TOTAL</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

\*must tie to prior year ending balance

Please answer the following questions by marking the appropriate boxes.

4-5 Does the entity have any authorized, but unissued, debt? Yes  No   
 If yes: How much? \$ 50,000,000.00

Date the debt was authorized: 11/3/2015

4-6 Does the entity intend to issue debt within the next calendar year? Yes  No   
 If yes: How much? \$ -

4-7 Does the entity have debt that has been refinanced that it is still responsible for? Yes  No   
 If yes: What is the amount outstanding? \$ -

4-8 Does the entity have any lease agreements? Yes  No   
 If yes: What is being leased? \_\_\_\_\_  
 What is the original date of the lease? \_\_\_\_\_  
 Number of years of lease? \_\_\_\_\_  
 Is the lease subject to annual appropriation? Yes  No   
 What are the annual lease payments? \$ -

Please use this space to provide any explanations or comments:

## PART 5 - CASH AND INVESTMENTS

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

	Amount	Total
5-1 YEAR-END Total of ALL Checking and Savings Accounts	\$ 623	
5-2 Certificates of deposit	\$ -	
<b>Total Cash Deposits</b>		<b>\$ 623</b>
Investments (if investment is a mutual fund, please list underlying investments):		
Colotrust	\$ 13,843	
5-3	\$ -	
	\$ -	
	\$ -	
<b>Total Investments</b>		<b>\$ 13,843</b>
<b>Total Cash and Investments</b>		<b>\$ 14,466</b>

Please answer the following questions by marking in the appropriate boxes

5-4 Are the entity's Investments legal in accordance with Section 24-75-601, et. seq., C.R.S.? Yes  No  N/A

5-5 Are the entity's deposits in an eligible (Public Deposit Protection Act) public depository (Section 11-10.5-101, et seq. C.R.S.)? Yes  No  N/A

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

## PART 6 - CAPITAL ASSETS

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

Yes                      No

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

6-3 Complete the following capital assets table:

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

Please use this space to provide any explanations or comments:

## PART 7 - PENSION INFORMATION

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

Yes                      No

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

Indicate the contributions from:

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

Please use this space to provide any explanations or comments:

## PART 8 - BUDGET INFORMATION

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

Yes                      No                      N/A

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

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

Governmental/Proprietary Fund Name	Total Appropriations By Fund
General Fund	\$ 30,753



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

Please answer the following question by marking in the appropriate box

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

If no, MUST explain:

## PART 10 - GENERAL INFORMATION

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

- |             |  |                          |                                     |
|-------------|--|--------------------------|-------------------------------------|
| <b>10-1</b> | Is this application for a newly formed governmental entity?  | Yes                      | No                                  |
|             |  | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| <b>10-2</b> | Has the entity changed its name in the past or current year? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

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

- |             |  |                                     |                          |
|-------------|--|-------------------------------------|--------------------------|
| <b>10-3</b> | Is the entity a metropolitan district? | Yes                                 | No                       |
|             |  | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

Please indicate what services the entity provides:

- |             |  |                          |                                     |
|-------------|--|--------------------------|-------------------------------------|
| <b>10-4</b> | Does the entity have an agreement with another government to provide services? | Yes                      | No                                  |
|             |  | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

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

- |             |  |                          |                                     |
|-------------|--|--------------------------|-------------------------------------|
| <b>10-5</b> | Has the district filed a Title 32, Article 1 Special District Notice of Inactive Status during | Yes                      | No                                  |
|             |  | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

If yes: Date Filed:

- |             |   |                                     |                          |
|-------------|---|-------------------------------------|--------------------------|
| <b>10-6</b> | Does the entity have a certified Mill Levy? | Yes                                 | No                       |
|             |   | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

If yes:

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

Bond Redemption mills	-
General/Other mills	63.000
<b>Total mills</b>	<b>63.000</b>

Please use this space to provide any explanations or comments:

## PART 11 - GOVERNING BODY APPROVAL

Please answer the following question by marking in the appropriate box

YES

NO

12-1

If you plan to submit this form electronically, have you read the new Electronic Signature Policy?

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

#### Policy - Requirements

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

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

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

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

Print the names of ALL members of current governing body below.  
Print Board Member's Name

A MAJORITY of the members of the governing body must complete and sign in the column below.

Board Member 1	Jason Arellano	I <u>Jason Arellano</u> , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed <u>Jason Arellano</u> Date: <u>Mar 23, 2022</u> My term Expires: <u>May 2022</u>
Board Member 2	Jeremy Porter	I <u>Jeremy Porter</u> , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed <u>Jeremy Porter</u> Date: <u>Mar 30, 2022</u> My term Expires: <u>May 2023</u>
Board Member 3	Lucas McConnell	I <u>Lucas McConnell</u> , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: <u>May 2022</u>
Board Member 4		I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 5		I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 6		I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 7		I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____

# LLA MD 2 2021

Interim Agreement Report










2022-07-19

Created:	2022-03-21
By:	Kimberly Johanns (Kimberly@simmonswheeler.com)
Status:	Out for Signature
Transaction ID:	CBJCHBCAABAA6IkPh-98LMJusXpFPHzIqQJqGD9aS8fw

## Agreement History

Agreement history is the list of the events that have impacted the status of the agreement prior to the final signature. A final audit report will be generated when the agreement is complete.

## "LLA MD 2 2021" History

-  Document created by Kimberly Johanns (Kimberly@simmonswheeler.com)  
2022-03-21 - 6:15:25 PM GMT
-  Document emailed to Diane Wheeler (diane@simmonswheeler.com) for signature  
2022-03-21 - 6:17:51 PM GMT
-  Document emailed to jason.arnellano@xcelenergy.com for signature  
2022-03-21 - 6:17:51 PM GMT
-  Document emailed to Jeremy Porter (jeremy.porter@xcelenergy.com) for signature  
2022-03-21 - 6:17:51 PM GMT
-  Document emailed to lucas.a.mcconnell@xcelenergy.com for signature  
2022-03-21 - 6:17:51 PM GMT
-  Email viewed by Diane Wheeler (diane@simmonswheeler.com)  
2022-03-21 - 6:23:02 PM GMT
-  Document e-signed by Diane Wheeler (diane@simmonswheeler.com)  
Signature Date: 2022-03-21 - 6:23:08 PM GMT - Time Source: server
-  Kimberly Johanns (Kimberly@simmonswheeler.com) replaced signer jason.arnellano@xcelenergy.com with Jason Arellano (jason.arellano@xcelenergy.com)  
2022-03-23 - 5:04:34 PM GMT
-  Document emailed to Jason Arellano (jason.arellano@xcelenergy.com) for signature  
2022-03-23 - 5:04:34 PM GMT

 Email viewed by Jason Arellano (jason.arellano@xcelenergy.com)

2022-03-23 - 10:19:33 PM GMT

 Document e-signed by Jason Arellano (jason.arellano@xcelenergy.com)

Signature Date: 2022-03-23 - 10:22:37 PM GMT - Time Source: server

 Email viewed by Jeremy Porter (jeremy.porter@xcelenergy.com)

2022-03-29 - 6:25:14 PM GMT- IP address: 208.87.233.201

 Email viewed by Jeremy Porter (jeremy.porter@xcelenergy.com)

2022-03-30 - 1:17:17 PM GMT- IP address: 208.87.233.201

 Document e-signed by Jeremy Porter (jeremy.porter@xcelenergy.com)

Signature Date: 2022-03-30 - 1:17:48 PM GMT - Time Source: server- IP address: 208.87.233.201