

BUDGET RESOLUTION

(2021)

CERTIFIED COPY OF RESOLUTION

STATE OF COLORADO)
) ss.
COUNTY OF WELD)

At the special meeting of the Board of Directors of LLA Metropolitan District No. 2, Town of Hudson County of Weld, Colorado, held at 10:00 AM on Tuesday, October 20, 2020, at Rocky Mountain Energy Center, 6211 Weld County Road 51, Keenesburg, Colorado, there were present:

Jason Arnellano
John Lupo
Jeremy Porter

Also present was Dianne Miller of Miller & Associates Law Offices, LLC (“District Counsel”)

District Counsel reported that, prior to the meeting, legal counsel had notified each of the directors of the date, time and place of this meeting and the purpose for which it was called. District Counsel further reported that this is a special meeting of the Board of Directors of the District and that a notice of the meeting was posted in at three (3) places within the boundaries of the District and at the Weld County Clerk and Recorder’s Office, and to the best of their knowledge, remains posted to the date of this meeting.

Thereupon, Director Arellano introduced and moved the adoption of the following Resolution:

RESOLUTION

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR TO HELP DEFRAY THE COSTS OF THE GOVERNMENT, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE LLA METROPOLITAN DISTRICT NO. 2, TOWN OF HUDSON, WELD COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2021 AND ENDING ON THE LAST DAY OF DECEMBER, 2021.

WHEREAS, the Board of Directors (the "Board") of the LLA Metropolitan District No. 2 (the "District") has authorized its consultants, treasurer and legal counsel to prepare and submit a proposed budget to said governing body no later than October 15, 2020; and

WHEREAS, the proposed 2021 budget has been submitted to the Board for its consideration; and

WHEREAS, upon due and proper notice, posted in accordance with Colorado law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held at 10:00 AM on Tuesday, October 20, 2020, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, the budget being adopted by the Board has been prepared based on the best information available to the Board regarding the effects of Article X, Section 20 of the Colorado Constitution; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LLA METROPOLITAN DISTRICT NO. 2, WELD COUNTY, COLORADO, AS FOLLOWS:

Section 1. Summary of 2021 Revenues and 2021 Expenditures. That the estimated revenues and expenditures for each fund for fiscal year 2021, as more specifically set forth in the budget attached hereto, are accepted and approved.

Section 2. Adoption of Budget. That the budget as submitted, or as amended, and attached hereto and incorporated herein is approved and adopted as the budget of the District for fiscal year 2021.

Section 3. 2021 Levy of General Property Taxes. That the foregoing budget indicates that the amount of money from property tax revenue necessary to balance the budget for the General Fund for operating expenses is \$55,376, and that the 2020 valuation for assessment, as certified by the Weld County Assessor, is \$878,990. That for the purposes of meeting all general operating expenses of the District during the 2021 budget year, there is hereby levied a tax of 63.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District during the year 2020.

Section 4. 2021 Levy of Debt Retirement Expenses. That the foregoing budget indicates that the amount of money from property tax revenue necessary to balance the budget for the Debt Service Fund for debt retirement expense is \$0 and that the 2020 valuation for assessment, as certified by the Weld County Assessor, is \$878,990. That for the purposes of meeting all debt retirement expenses of the District during the 2021 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District during the year 2020.

Section 5. Certification to Board of County Commissioners. That the attorney, accountant or manager for the District is hereby authorized and directed to certify to the Weld County Board of County Commissioners, no later than December 15, 2020, the mill levies for the District hereinabove determined and set. That said certification shall be substantially in the same form as attached hereto and incorporated herein by this reference.

Section 6. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

Section 7. Budget Certification. That the budget shall be certified by the Secretary/Treasurer of the District, and made a part of the public records of the District.

The foregoing Resolution was seconded by Director Porter.

RESOLUTION APPROVED AND ADOPTED ON OCTOBER 20, 2020.

LLA METROPOLITAN DISTRICT NO. 2

By: DocuSigned by:
Jason Arellano
0384C886A70E426...
Jason Arellano, President

ATTEST:

DocuSigned by:
Jeremy Porter
7B8FD8955400427...
Jeremy Porter, Secretary/Treasurer

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

I, Jeremy Porter, hereby certify that I am a director and the duly elected and qualified Secretary/Treasurer of LLA Metropolitan District No. 2 (the "District"), and that the foregoing constitutes a true and correct copy of the record of proceedings of the Board of Directors of said District adopted at a meeting of the Board of Directors of the District held at 10:00 AM on Tuesday, October 20, 2020, at Rocky Mountain Energy Center, 6211 Weld County Road 51, Keenesburg, Colorado as recorded in the official record of the proceedings of the District, insofar as said proceedings relate to the budget hearing for fiscal year 2021; that said proceedings were duly had and taken; that the meeting was duly held; and that the persons were present at the meeting as therein shown.

IN WITNESS WHEREOF, I have hereunto subscribed my name on October 20, 2020.

DocuSigned by:

Jeremy Porter

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Jeremy Porter, Secretary/Treasurer

EXHIBIT A
2021 BUDGET DOCUMENT & BUDGET MESSAGE FOR
LLA METROPOLITAN DISTRICT NO. 2

LLA Metropolitan District No. 2
Adopted Budget
General Fund
For the Year ended December 31, 2021

	Actual <u>2019</u>	Adopted Budget <u>2020</u>	Actual <u>6/30/20</u>	Estimate <u>2020</u>	Adopted Budget <u>2021</u>
Beginning fund balance	\$ -	\$ 3,650	\$ 5,889	\$ 5,889	\$ 3,625
Revenues:					
Property taxes to LLA #1	33,073	43,950	6,359	43,950	19,372
Specific ownership taxes to LLA #1	2,944	4,495	965	2,500	2,037
Property taxes for Operations	8,599	11,426	1,653	11,427	5,036
Specific ownership taxes for operations	766	1,167	251	550	483
Developer advances	-	-	988	-	-
Interest income	340	200	121	350	200
Total revenues	<u>45,722</u>	<u>61,238</u>	<u>10,337</u>	<u>58,777</u>	<u>27,128</u>
Total funds available	<u>45,722</u>	<u>64,888</u>	<u>16,226</u>	<u>64,666</u>	<u>30,753</u>
Expenditures:					
Accounting / audit	2,492	350	1,907	4,500	4,500
Election expense	-	1,000	1,019	1,019	-
Insurance/SDA dues	2,753	3,000	2,817	2,817	3,000
Legal	4,244	6,500	3,043	12,000	7,250
Miscellaneous	198	100	92	200	100
Treasurer fees tranfer to #1	496	659	95	659	291
Treasurer fees for operations	129	67	25	55	31
Transfer to District #1	29,521	41,786	7,228	39,791	15,118
Contingency	-	3,748	-	-	25
Emergency reserve (3%)	-	332	-	-	438
Total expenditures	<u>39,833</u>	<u>57,542</u>	<u>16,226</u>	<u>61,041</u>	<u>30,753</u>
Ending fund balance	<u>\$ 5,889</u>	<u>\$ 7,346</u>	<u>\$ -</u>	<u>\$ 3,625</u>	<u>\$ -</u>
Assessed valuation		<u>\$ 878,990</u>			<u>\$ 387,430</u>
Mill Levy to transfer to #1		<u>50.000</u>			<u>50.000</u>
Mill levy for operations		<u>13.000</u>			<u>13.000</u>

LLA METROPOLITAN DISTRICT NO. 2
2021
BUDGET MESSAGE

Attached please find a copy of the adopted 2021 budget for LLA Metropolitan District No. 2.

The LLA Metropolitan District No. 2 has adopted one fund, a General Fund to provide for general operating expenditures and transfers to LLA Metropolitan District No. 1 for the payment of general operating expenditures.

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

The primary source of revenue for the District in 2021 will be property taxes. The District intends to impose a 63.000 mill levy on the property within the District for 2021.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Weld County, Colorado.

On behalf of the LLA Metropolitan District No. 2
(taxing entity)^A

the Board of Directors
(governing body)^B

of the LLA Metropolitan District No. 2
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 387,430 assessed valuation of:
(GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 387,430
(NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/11/2020 for budget/fiscal year 2021
(not later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	13.000 mills	\$ 5,036
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	13.000 mills	\$ 5,036
3. General Obligation Bonds and Interest ^J	mills	\$
4. Contractual Obligations ^K	50.000 mills	\$ 19,372
5. Capital Expenditures ^L	mills	\$
6. Refunds/Abatements ^M	mills	\$
7. Other ^N (specify): _____	mills	\$
_____	mills	\$
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	63.000 mills	\$ 24,408

Contact person: (print) Diane K Wheeler Daytime phone: (303) 689-0833
Signed:  Title: District Accountant

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 866-2156.

¹ If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's final certification of valuation).

CERTIFICATION OF TAX LEVIES, continued

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.). Taxing entities that are Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS^J:

1. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

2. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

CONTRACTS^K:

3. Purpose of Contract: To fund the District's share of coordinated activities with District #1
Title: Revenue Sharing and Cost Recovery Agreement
Date: April 26, 2017
Principal Amount: N/A
Maturity Date: N/A
Levy: 50.000
Revenue: \$19,372

4. Purpose of Contract: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.