

RESOLUTION NO. 2022-11-03

RESOLUTION TO ADOPT BUDGET AND APPROPRIATE SUMS OF MONEY

**RESOLUTION OF THE BOARD OF DIRECTORS OF LAKE BLUFF
METROPOLITAN DISTRICT NO. 2, WELD COUNTY, COLORADO, PURSUANT TO
SECTION 29-1-108, C.R.S., SUMMARIZING EXPENDITURES AND REVENUES FOR
EACH FUND, ADOPTING A BUDGET AND APPROPRIATING SUMS OF MONEY
FOR THE BUDGET YEAR 2023**

- A. The Board of Directors of Lake Bluff Metropolitan District No. 2 (the “**District**”) has appointed Simmons & Wheeler, P.C. to prepare and submit a proposed budget to said governing body at the proper time.
- B. Simmons & Wheeler, P.C. has submitted a proposed budget to this governing body by October 15, 2022 for its consideration.
- C. Upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on November 15, 2022, and interested taxpayers were given the opportunity to file or register any objections to said proposed budget.
- D. The budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, reserve transfers and expenditure exemptions, under Article X, Section 20 of the Colorado Constitution (“**TABOR**”) and other laws or obligations which are applicable to or binding upon the District.
- E. 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.
- F. The Board of Directors has made provision therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget.
- G. It is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, thereby establishing a limitation on expenditures for the operations of the District.

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

1. The budget, as submitted, amended, and summarized by fund, is hereby approved and adopted as the budget of the District for the year stated above.
2. The budget is hereby approved and adopted, shall be certified by the Secretary of the District to all appropriate agencies and is made a part of the public records of the District.

3. The sums set forth as the total expenditures of each fund in the budget attached hereto as **Exhibit A** and incorporated herein by reference are hereby appropriated from the revenues of each fund, within each fund, for the purposes stated.

[SIGNATURE PAGE FOLLOWS]

**[SIGNATURE PAGE TO RESOLUTION TO ADOPT
BUDGET AND APPROPRIATE SUMS OF MONEY]**

RESOLUTION APPROVED AND ADOPTED on November 15, 2022.

**LAKE BLUFF METROPOLITAN
DISTRICT NO. 2**

By: *Otis Moore*
President

Attest:

By: *Ann Finn*
Secretary

EXHIBIT A
Budget

LAKE BLUFF METROPOLITAN DISTRICT NO. 2
2023
BUDGET MESSAGE

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

The Lake Bluff Metropolitan District No. 2 has adopted a budget for three funds, a General Fund to provide for transfers to Lake Bluff Metropolitan District No. 1 for operating and maintenance expenditures; a Capital Projects Fund to provide for the transfers to Lake Bluff Metropolitan District No. 1 for regional improvements that are to be built for the benefit of the District and a Debt Service Fund to account for the repayment of principal and interest on the outstanding general obligation bonds.

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 2023 will be property taxes. The district intends to impose a 60.000 mill levy on property within the district for 2023, of which 10.000 mills will all be dedicated to the General Fund and the balance of 50.000 mills will be dedicated to the Debt Service Fund.

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

	Actual <u>2021</u>	Adopted Budget <u>2022</u>	Actual <u>6/30/2022</u>	Estimate <u>2022</u>	Adopted Budget <u>2023</u>
Beginning fund balance	\$ -	\$ 44,567	\$ 28,741	\$ 28,741	\$ -
Revenues:					
Property taxes	84,853	350,200	350,200	350,200	531,502
Specific ownership taxes	4,264	35,020	12,320	25,000	53,119
Interest income	<u>96</u>	<u>-</u>	<u>2</u>	<u>100</u>	<u>-</u>
Total revenues	<u>89,213</u>	<u>385,220</u>	<u>362,522</u>	<u>375,300</u>	<u>584,621</u>
Total funds available	<u>89,213</u>	<u>429,787</u>	<u>391,263</u>	<u>404,041</u>	<u>584,621</u>
Expenditures:					
Treasurer fees	1,273	5,253	1,273	5,253	7,971
Transfer to District 1	59,199	414,028	100,000	398,788	560,705
Emergency reserve (3%)	<u>-</u>	<u>10,506</u>	<u>-</u>	<u>-</u>	<u>15,945</u>
Total expenditures	<u>60,472</u>	<u>429,787</u>	<u>101,273</u>	<u>404,041</u>	<u>584,621</u>
Ending fund balance	<u>\$ 28,741</u>	<u>\$ -</u>	<u>\$ 289,990</u>	<u>\$ -</u>	<u>\$ -</u>
Assessed valuation	<u>\$ 56,568,910</u>	<u>\$ 35,019,950</u>			<u>\$ 53,150,190</u>
	0	0			0
Mill Levy	<u>1.500</u>	<u>10.000</u>			<u>10.000</u>

Lake Bluff Metropolitan District No. 2
Adopted Budget
Capital Projects Fund
For the Year ended December 31, 2023

	Actual <u>2021</u>	Adopted Budget <u>2022</u>	Actual <u>6/30/2022</u>	Estimate <u>2022</u>	Adopted Budget <u>2023</u>
Beginning fund balance	\$ -	\$ 36,699,732	\$ 38,325,662	\$ 38,325,662	\$ 33,465,662
Revenues:					
Interest income	3,688	-	83,378	140,000	-
Bond proceeds Series 2021	3,804,000	-	-	-	-
Bond proceeds Series 2021 ⁽³⁾	<u>40,355,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>44,162,688</u>	<u>-</u>	<u>83,378</u>	<u>140,000</u>	<u>-</u>
Total funds available	<u>44,162,688</u>	<u>36,699,732</u>	<u>38,409,040</u>	<u>38,465,662</u>	<u>33,465,662</u>
Expenditures:					
Issuance costs	1,425,389	-	-	-	-
Transfer to District 1	355,314	36,699,732	2,124,181	5,000,000	33,000,000
Transfer to Debt Service	<u>4,056,323</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>5,837,026</u>	<u>36,699,732</u>	<u>2,124,181</u>	<u>5,000,000</u>	<u>33,000,000</u>
Ending fund balance	<u>\$38,325,662</u>	<u>\$ -</u>	<u>\$ 36,284,859</u>	<u>\$ 33,465,662</u>	<u>\$ 465,662</u>

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

	Actual <u>2021</u>	Adopted Budget <u>2022</u>	Actual <u>6/30/2022</u>	Estimate <u>2022</u>	Adopted Budget <u>2023</u>
Beginning fund balance	\$ -	\$ 240	\$ -	\$ -	\$ -
Revenues:					
Property taxes	2,828,446	1,750,998	1,750,998	1,750,998	2,657,510
Specific ownership taxes	142,125	105,060	61,594	120,000	159,303
Intrest income	104	20	15	25	-
Transfer from capital projects	<u>4,056,323</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>7,026,998</u>	<u>1,856,078</u>	<u>1,812,607</u>	<u>1,871,023</u>	<u>2,816,813</u>
Total funds available	<u>7,026,998</u>	<u>1,856,318</u>	<u>1,812,607</u>	<u>1,871,023</u>	<u>2,816,813</u>
Expenditures:					
Redeem Series 2021	4,033,086	-	-	-	-
Interest expense Series 2021 ⁽³⁾	282,485	1,826,001	-	1,840,758	2,002,952
Bond principal Series 2021 ⁽³⁾	2,669,000	-	-	-	770,000
Treasurer's fees	42,427	26,265	5,253	26,265	39,861
Trustee / paying agent fees	<u>-</u>	<u>4,000</u>	<u>-</u>	<u>4,000</u>	<u>4,000</u>
Total expenditures	<u>7,026,998</u>	<u>1,856,266</u>	<u>5,253</u>	<u>1,871,023</u>	<u>2,816,813</u>
Ending fund balance	<u>\$ -</u>	<u>\$ 52</u>	<u>\$ 1,807,354</u>	<u>\$ -</u>	<u>\$ -</u>
Assessed valuation	<u>\$56,568,910</u>	<u>\$ 35,019,950</u>			<u>\$ 53,150,190</u>
Mill Levy	<u>50.000</u>	<u>50.000</u>			<u>50.000</u>
Total Mill Levy	<u>51.500</u>	<u>60.000</u>			<u>60.000</u>

RESOLUTION NO. 2022- 11 - 04
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE LAKE BLUFF METROPOLITAN DISTRICT NO. 2
TO SET MILL LEVIES

WHEREAS, the Board of Directors of the Lake Bluff Metropolitan District No. 2 (“District”) has adopted the 2023 annual budget in accordance with the Local Government Budget Law on November 15, 2022; and

WHEREAS, the adopted budget is attached to the Resolution of the Board of Directors to Adopt the 2023 Budget and Appropriate Sums of Money, and such budget is incorporated herein by this reference; and

WHEREAS, the amount of money necessary to balance the budget for general fund expenses from property tax revenue is identified in the budget; and

WHEREAS, the amount of money necessary to balance the budget for debt service fund expenses from property tax revenue is identified in the budget; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Lake Bluff Metropolitan District No. 2:

1. That for the purposes of meeting all general fund expenses of the District during the 2023 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

2. That for the purposes of meeting all debt service fund expenses of the District during the 2023 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

3. That the District Accountant of the District is hereby authorized and directed to immediately certify to the County Commissioners of Weld County, Colorado, the mill levies for the District as set forth in the District’s Certification of Tax Levies (attached hereto as **EXHIBIT A** and incorporated herein by reference), recalculated as needed upon receipt of the final certification of valuation from the County Assessor in order to comply with any applicable revenue and other budgetary limits.

ADOPTED this 15th day of November, 2022.



(SEAL)

EXHIBIT A
(Certification of Tax Levies)

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of WELD COUNTY, Colorado.


On behalf of the LAKE BLUFF METRO DISTRICT 2,
(taxing entity)^A
 the Board of Directors,
(governing body)^B
 of the LAKE BLUFF METRO DISTRICT 2,
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 53,150,190.00 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: \$ 53,150,190.00 (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: 12/14/2022 for budget/fiscal year 2023.
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE <small>(see end notes for definitions and examples)</small>	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	0.000 mills	\$ 0
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < 0 >
SUBTOTAL FOR GENERAL OPERATING:	0 mills	\$ 0
3. General Obligation Bonds and Interest ^J	50.000 mills	\$ 2657509.50
4. Contractual Obligations ^K	10.000 mills	\$ 531501.90
5. Capital Expenditures ^L	mills	\$ 0
6. Refunds/Abatements ^M	mills	\$ 0
7. Other ^N (specify): _____	mills	\$
_____	mills	\$
TOTAL: <small>[Sum of General Operating Subtotal and Lines 3 to 7]</small>	60 mills	\$ 3189011.40

Contact person: Diane Wheeler Daytime phone: (303)689-0833
 (print)
 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) 864-7720.

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:	Limited Tax General Obligation Refunding and Improvement Bonds
	Series:	2021(3)
	Date of Issue:	10/13/2021
	Coupon Rate:	5.25%
	Maturity Date:	12/1/2051
	Levy:	50.000
	Revenue:	\$2.657.510
2.	Purpose of Issue:	
	Series:	
	Date of Issue:	
	Coupon Rate:	
	Maturity Date:	
	Levy:	
	Revenue:	

CONTRACTS^K:

3.	Purpose of Contract:	District operations
	Title:	Operations Pledge Agreement
	Date:	10/13/2021
	Principal Amount:	N/A
	Maturity Date:	12/31/2061
	Levy:	10.000
	Revenue:	\$531.502
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.