

BLUE LAKE METROPOLITAN DISTRICT NO. 2

2023 Budget Message

Introduction

The Blue Lake Metropolitan District No. 2 was formed on May 17, 2004. The purpose of District 2 is to coordinate the financing, construction and installation of public improvements, including streets and traffic signals, and water, sewer, storm drainage and park and recreation facilities for the Blue Lake Development.

Public improvements and facilities constructed or acquired by the District may be owned and maintained by one or more Districts, or may be dedicated for ownership and maintenance to the Town of Lochbuie, Colorado (“Lochbuie” or the “Town”), or to other non-profit or governmental entities, for the use and benefit of the Blue Lake Development residents and taxpayers.

Dedication of Improvements

It is anticipated that the District may dedicate certain improvements to the Town or its designee upon completion of their construction and installation, together with the rights-of-way and easements for the facilities, to the extent the District has the necessary property interest to permit such dedication. The District may dedicate storm drainage facilities to the South Beebe Draw Metropolitan District, which is the regional storm drainage provider to the South Beebe Draw Basin, upon the completion of their construction and installation, together with rights-of-way and easements for the facilities, to the extent the District has the necessary property interest to permit such dedication.

Maintenance of Public Improvements

The District shall be authorized to own and maintain all public facilities constructed, installed or acquired by the District and not otherwise dedicated for ownership and maintenance to other appropriate governmental entities.

Budget Features

Following are noteworthy features of the budget.

1. The District's accounting system is modified accrual basis for the governmental fund type of accounting.
2. The 2021 assessed value for the District is \$4,332,330.
3. The District adopted a General Operating mill levy of 5.034, yielding \$21,809 in property taxes.
4. The District adopted a Debt Service Fund mill levy of 50.622 yielding \$219,311 in property taxes.
5. The primary sources of revenue are property taxes and developer advances. Developer advances are to be recorded as revenue for budget purposes with an obligation for future repayment.
6. The District has no leases.

BUDGET RESOLUTION

(2023)

CERTIFIED COPY OF RESOLUTION

STATE OF COLORADO)
) ss.
COUNTY OF WELD)

At the special meeting of the Board of Directors of Blue Lake Metropolitan District No. 1 County of Weld, Colorado, held at 1:30 PM on Monday, September 26, 2022, at 7995 E Prentice Ave., Suite 103E, Greenwood Village, CO 80111, via zoom Teleconference there were present:

Mark Bush
Charles Foster
Russell Watterson, Sr.

Absent were Directors Fair and Craft, whose absence was excused.

Also present were; Joel Meggers, Phyllis Brown and Rhonda Bilek of Community Resource Services of Colorado, Matt Ruhland of Cockrel Ela Glesne Greher & Ruhland, P.C.,

The District Manager reported that, prior to the meeting, each of the directors of the date, time and place of this meeting and the purpose for which it was called. The District Manager 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 accordance with statute 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 Watterson, Sr. 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 DEFRAID 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 BLUE LAKE METROPOLITAIN DISTRICT NO. 2, WELD COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2023 AND ENDING ON THE LAST DAY OF DECEMBER, 2023.

WHEREAS, the Board of Directors (the "Board") of the Blue Lake 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, 2022; and

WHEREAS, the proposed 2023 budget has been submitted to the Board for its consideration; and

WHEREAS, upon due and proper notice, posted in accordance with Colorado law and published on September 22, 2022, in the Brighton Standard Blade, said proposed budget was open for inspection by the public at a designated place, a public hearing was held at 1:30 PM on Monday, September 26, 2022, 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 BLUE LAKE METROPOLITAIN DISTRICT NO. 2, WELD COUNTY, COLORADO, AS FOLLOWS:

Section 1. Summary of 2023 Revenues and 2023 Expenditures. That the estimated revenues and expenditures for each fund for fiscal year 2022, 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 2023.

Section 3. 2023 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 \$ _____, and that the 2022 valuation for assessment, as certified by the Weld County Assessor, is \$ _____. That for the purposes of meeting all general operating expenses of the District during the 2023 budget year, there is hereby levied a tax of _____ mills upon each dollar of the total valuation of assessment of all taxable property within the District during the year 2022.

Section 4. 2023 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 \$ _____ and that the 2023 valuation for assessment, as certified by the Weld County Assessor, is \$ _____. That for the purposes of meeting all debt retirement expenses of the District during the 2023 budget year, there is hereby levied a tax of _____ mills upon each dollar of the total valuation of assessment of all taxable property within the District during the year 2022.

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, 2022, 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.

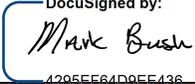
Section 6. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

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.

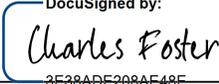
The foregoing Resolution was seconded by Director Foster.

RESOLUTION APPROVED AND ADOPTED ON SEPTEMBER 26, 2022.

BLUE LAKE METROPOLITAIN DISTRICT NO.2

By: 
4295EE64D9EE436...
Mark Bush, President

ATTEST:


3E38ADE208AE48E...
Charles Foster, Secretary/Treasurer

STATE OF COLORADO
COUNTY OF WELD
BLUE LAKE METROPOLITAIN DISTRICT NO. 2

I, Charles Foster, hereby certify that I am a director and the duly elected and qualified Secretary/Treasurer of Blue Lake 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 the District adopted at a meeting of the Board of Directors of the District held at 1:30 PM on September 26, 2022, at 7995 E Prentice Ave., #103E, Greenwood Village, Colorado and via zoom/teleconference as recorded in the official record of the proceedings of the District, insofar as said proceedings relate to the budget hearing for fiscal year 2023; 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.

Subscribed and sworn to this 26th day of September 2022.

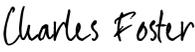
DocuSigned by:

3E38ADE208AE48E...
Charles Foster, Secretary/Treasurer

EXHIBIT A
2023 BUDGET DOCUMENT & BUDGET MESSAGE FOR
BLUE LAKE METROPOLITAIN DISTRICT NO. 2

BLUE LAKE METROPOLITAIN DISTRICT NO.2

2023 BUDGET

SUMMARY OF SIGNIFICANT ASSUMPTIONS

BLUE LAKE METROPOLITAN DISTRICT NO. 2
GENERAL FUND
2023 ADOPTED BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED AMOUNTS
FOR THE YEARS ENDED AND ENDING DECEMBER 31,

	2021	2022	2023
	Actual	Estimated	Adopted
REVENUES			
Property taxes	\$ 21,639	\$ 22,892	\$ 21,809
Specific ownership taxes	1,087	1,360	1,310
Interest	29	1,200	1,000
Total revenues	22,755	25,452	24,119
EXPENDITURES			
<u>General</u>			
Audit	10,900	12,000	12,000
County treasurer fees	325	343	327
District management and accounting	38,157	15,600	15,600
Dues and subscriptions	294	609	700
Elections	-	-	5,000
Insurance and bonds	2,523	3,000	3,000
Consulting	-	15,000	15,000
Legal	9,728	5,000	5,000
Miscellaneous	195	300	300
Emergency reserve	-	-	1,800
Total expenditures	62,122	51,852	58,727
EXCESS OF EXPENDITURES OVER REVENUES	(39,367)	(26,400)	(34,608)
OTHER FINANCING SOURCES			
Reimbursement obligation forgiveness	-	60,930	-
Developer advances	50,351	80,000	35,000
Total other financing sources	50,351	140,930	35,000
NET CHANGE IN FUND BALANCE	10,984	114,530	392
BEGINNING FUND BALANCE (DEFICIT)	(60,400)	(49,416)	65,114
ENDING FUND BALANCE (DEFICIT)	\$ (49,416)	\$ 65,114	\$ 65,506

BLUE LAKE METROPOLITAN DISTRICT NO. 2
DEBT SERVICE FUND
2023 ADOPTED BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED AMOUNTS
FOR THE YEARS ENDED AND ENDING DECEMBER 31,

	2021	2022	2023
	Actual	Estimated	Adopted
REVENUES			
Property taxes	\$ 217,602	\$ 228,297	\$ 219,311
Specific ownership taxes	10,928	13,698	13,159
Miscellaneous	-	60,930	-
Interest	111	500	300
Total revenues	228,641	303,425	232,770
EXPENDITURES			
<u>General</u>			
County treasurer fees	3,265	3,424	3,290
<u>Debt service</u>			
Loan principal - Series 2021A	78,000	44,000	43,000
Loan interest - Series 2021A	62,864	96,273	94,142
Loan principal - Series 2021B	37,000	19,000	18,000
Loan interest - Series 2021B	23,468	40,902	40,238
Note principal - 2016C	420,000	-	-
Note interest - 2016C	170,334	-	-
Developer advance repayment - principal	213,698	-	-
Developer advance repayment - interest	59,916	-	-
Bond issuance costs	190,840	-	-
Paying agent fees	6	10,000	10,000
Total expenditures	1,259,391	213,599	208,670
EXCESS OF REVENUES OVER (UNDER)			
EXPENDITURES	(1,030,750)	89,826	24,100
OTHER FINANCING SOURCES (USES)			
Bond proceeds	4,000,000	-	-
Developer advances	19,649	-	-
Transfer to capital projects fund	(328,523)	-	-
Transfer to escrow agent	(2,708,752)	-	-
Total other financing sources (uses)	982,374	-	-
NET CHANGE IN FUND BALANCE	(48,376)	89,826	24,100
BEGINNING FUND BALANCE	71,575	23,199	113,025
ENDING FUND BALANCE	\$ 23,199	\$ 113,025	\$ 137,125

**BLUE LAKE METROPOLITAN DISTRICT NO. 2
CAPITAL FUND
2023 ADOPTED BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED AMOUNTS
FOR THE YEARS ENDED AND ENDING DECEMBER 31,**

	2021 Actual	2022 Estimated	2023 Adopted
REVENUES			
Conservation trust fund	\$ -	\$ 3,842	\$ 3,600
Interest	19	1,600	800
Total revenues	<u>19</u>	<u>5,442</u>	<u>4,400</u>
EXPENDITURES			
Capital outlay	-	135,000	132,000
Consulting fees	13,915	18,000	18,000
Total expenditures	<u>13,915</u>	<u>153,000</u>	<u>150,000</u>
EXCESS OF EXPENDITURES OVER REVENUES	<u>(13,896)</u>	<u>(147,558)</u>	<u>(145,600)</u>
OTHER FINANCING SOURCES			
Transfer from capital projects fund	328,523	-	-
Total other financing sources	<u>328,523</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	314,627	(147,558)	(145,600)
BEGINNING FUND BALANCE	<u>-</u>	<u>314,627</u>	<u>167,069</u>
ENDING FUND BALANCE	<u>\$ 314,627</u>	<u>\$ 167,069</u>	<u>\$ 21,469</u>

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of WELD COUNTY, Colorado.

On behalf of the BLUE LAKE METROPOLITAN DISTRICT NO. 2,
(taxing entity)^A

the BOARD OF DIRECTORS
(governing body)^B

of the BLUE LAKE METROPOLITAN DISTRICT NO. 2
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 4,332,330 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: \$ _____ (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
USE VALUE FROM FINAL CERTIFICATIN OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/11/22 for budget/fiscal year 2023
(not later than Dec. 15) (dd/mm/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	<u>5.034</u> mills	\$ <u>21,809</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	5.034 mills	\$ 21,809
3. General Obligation Bonds and Interest ^J	<u>50.622</u> mills	\$ <u>219311</u>
4. Contractual Obligations ^K	_____ mills	\$ _____
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]	55.656 mills	\$241,120

Contact person: (print) Sue Blair, CRS of Colorado, LLC Daytime phone: 303-381-4968
Signed: *Sue Blair* Title: CEO

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
BLUE LAKE METROPOLITAN DISTRICT NO. 2

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:	Reimbursement- Capital Improvements
	Series:	2016A Senior Bonds
	Date of Issue:	12-6-2016
	Coupon Rate:	5.750%
	Maturity Date:	12-1-2046
	Levy:	50.622
	Revenue:	\$219,561

2.	Purpose of Issue:	Reimbursement- Capital Improvements
	Series:	2016B Subordinate Bonds
	Date of Issue:	12-6-2016
	Coupon Rate:	8.000%
	Maturity Date:	12-15-2046
	Levy:	Included Above
	Revenue:	Included Above

CONTRACTS^K:

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

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

Use multiple copies of this page as necessary to report all bond and contractual obligations.



OFFICE OF THE WELD COUNTY ASSESSOR
PHONE (970) 400-3650
FAX (970) 304-6433
WEBSITE: www.weldgov.com
1400 N 17th AVE
GREELEY, CO 80631

DLG 70 – CERTIFICATION OF TAX LEVIES FOR NON-SCHOOL GOVERNMENTS ELECTRONIC SUBMISSION FORM INSTRUCTIONS

COUNTY TAX ENTITY CODE: **1354**

TAXING ENTITY:

BLUE LAKE METRO DISTRICT 2

AUTHORIZATION CODE: **74659**

COMPLETE YOUR DLG70 CERTIFICATION OF TAX LEVIES ONLINE USING THE TAX ENTITY CODE AND AUTHORIZATION CODE LISTED ABOVE AT THE FOLLOWING LINK: <https://www.weldgov.com/go/levy>

- Enter your email (any email may be used), Authorization Code, and County Tax Entity Code.
- Please use only positive numbers as the form is set up to calculate the negative amounts.
- When using decimals in your levy, only 3 decimal places can be used and if a levy starts with a decimal, a zero **MUST** be entered before the decimal place.
- If a Levy is entered under General Obligation Bond or Contractual Obligation you will be required to complete the Bond and/or Contractual Details page. If you need more than 1 page for Bonds and Contract information, there is an opportunity to upload additional documents.
- A preview of your DLG 70 will be emailed for your review prior to final submission of your mill levy. The preview can be printed to present at board meetings.
- After reviewing your mill levy you will need to follow the link in the preview email to sign and submit your final mill levy to the Weld County Assessor's office.
- A finalized copy of your signed Final DLG 70 Certification of Tax Levies for Non-School Governments will be sent to both our email and your email.
- **Once the DLG70 form is signed, no changes can be made as this finalizes the process. If a change needs to be made you must complete a new DLG70.**

Please feel free to contact Dee Kayl at (970) 400-3655, dkayl@weldgov.com or Scott Wright at (970) 400-3678 swright@weldgov.com with any questions.