

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 BLUE LAKE METROPOLITAIN DISTRICT NO. 2, 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 BLUE LAKE METROPOLITAIN 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 and published on August 28, 2020 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 2:00 PM on September 29, 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 BLUE LAKE METROPOLITAIN 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 **\$21,658**, and that the 2020 valuation for assessment, as certified by the Weld County Assessor, is **\$4,302,290**. 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 **5.034 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 **\$217,791** and that the 2021 valuation for assessment, as certified by the Weld County Assessor, is **\$4,302,290**. 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 **50.622 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 Adams 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.

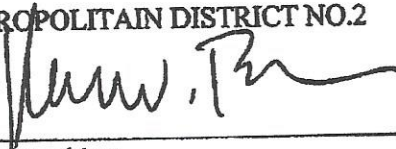
Section 7. Budget Certification. That the budget shall be certified by the Secretary/Treasurer of the District, and made a part of the public records of the District.

The foregoing Resolution was seconded by Director Watterson.

RESOLUTION APPROVED AND ADOPTED ON September 29, 2020.

BLUE LAKE METROPOLITAIN DISTRICT NO.2

By:



Mark Bush, President

ATTEST:



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 METROPOLITAIN 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 2:00 PM on September 29, 2020, at 1641 California Street, Suite 300, Denver, 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.

Subscribed and sworn to this 29th day of September, 2020.



Charles Foster, Secretary/Treasurer

EXHIBIT A
2021 BUDGET DOCUMENT & BUDGET MESSAGE FOR
BLUE LAKE METROPOLITAIN DISTRICT NO. 2

BLUE LAKE METROPOLITAN DISTRICT NO. 2
GENERAL FUND
2021 ADOPTED BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED AMOUNTS
FOR THE YEARS ENDED AND ENDING DECEMBER 31,

	<u>2019</u> <u>Actual</u>	<u>2020</u> <u>Estimated</u>	<u>2021</u> <u>Adopted</u>
REVENUES			
Property taxes	\$ 17,511	\$ 21,528	\$ 21,658
Specific ownership taxes	1,176	1,292	1,299
Interest	1,983	345	120
Total revenues	<u>20,670</u>	<u>23,165</u>	<u>23,077</u>
EXPENDITURES			
<u>General</u>			
Audit	8,400	8,500	8,600
County treasurer fees	263	323	325
District management and accounting	14,226	15,000	15,000
Dues and subscriptions	273	300	500
Elections	-	-	500
Insurance and bonds	2,763	3,000	3,000
Consulting	-	2,000	2,000
Legal	28	500	5,000
Miscellaneous	-	300	300
Emergency reserve	-	-	700
Total expenditures	<u>25,953</u>	<u>29,923</u>	<u>35,925</u>
EXCESS OF EXPENDITURES OVER REVENUES	<u>(5,283)</u>	<u>(6,758)</u>	<u>(12,848)</u>
OTHER FINANCING SOURCES (USES)			
Developer advances	21,000	42,000	15,000
Developer advances - repayment	(21,855)	-	-
Total other financing sources (uses)	<u>(855)</u>	<u>42,000</u>	<u>15,000</u>
NET CHANGE IN FUND BALANCE	(6,138)	35,242	2,152
BEGINNING FUND BALANCE (DEFICIT)	<u>(28,460)</u>	<u>(34,598)</u>	<u>644</u>
ENDING FUND BALANCE (DEFICIT)	<u>\$ (34,598)</u>	<u>\$ 644</u>	<u>\$ 2,796</u>

BLUE LAKE METROPOLITAN DISTRICT NO. 2
DEBT SERVICE FUND
2021 ADOPTED BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED AMOUNTS
FOR THE YEARS ENDED AND ENDING DECEMBER 31,

	<u>2019 Actual</u>	<u>2020 Estimated</u>	<u>2021 Adopted</u>
REVENUES			
Property taxes	\$ 176,080	\$ 216,483	\$ 217,790
Specific ownership taxes	11,827	10,187	13,067
Interest	2,539	942	500
Total revenues	<u>190,446</u>	<u>227,612</u>	<u>231,357</u>
EXPENDITURES			
Bond principal Series 2016A	15,000	20,000	20,000
Bond interest Series 2016A	114,137	113,275	112,125
Bond interest Series 2016B	61,000	83,000	88,915
County treasurer fees	2,642	3,247	3,267
Paying agent fees	6,757	7,000	7,000
Total expenditures	<u>199,536</u>	<u>226,522</u>	<u>231,307</u>
NET CHANGE IN FUND BALANCE	(9,090)	1,090	50
BEGINNING FUND BALANCE	<u>78,435</u>	<u>69,345</u>	<u>70,435</u>
ENDING FUND BALANCE	<u>\$ 69,345</u>	<u>\$ 70,435</u>	<u>\$ 70,485</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 \$ 4,302,290 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: \$ 4,302,290 (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: 12/11/20 for budget/fiscal year 2021
(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>21,658</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	5.034 mills	\$ 21,528
3. General Obligation Bonds and Interest ^J	<u>50.622</u> mills	\$ <u>217,790</u>
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	55.656 mills	\$ 239,448

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:	\$217,791

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.

BLUE LAKE METROPOLITAN DISTRICT NO. 2

2021 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 an accrual basis for the governmental fund type of accounting.
2. The 2020 assessed value for the District is \$4,302,290.
3. The District adopted a General Operating mill levy of 5.034, yielding \$21,528 in property taxes.
4. The District adopted a Debt Service Fund mill levy of 50.622 yielding \$217,790 in property taxes.
5. The primary sources of revenue is property taxes and developer advances. Developer advances are to be recorded as revenue for budget purposes with an obligation for future repayment.