

RESOLUTION
ADOPTING BUDGET, APPROPRIATING FUNDS AND CERTIFYING MILL LEVIES
FOR THE CALENDAR YEAR 2023

The Board of Directors of Trails at Crowfoot Metropolitan District No. 2 (the “**Board**”), Town of Parker, Douglas County, Colorado (the “**District**”), held a regular meeting, via teleconference, on October 27, 2022, at the hour of 4:00 p.m.

Prior to the meeting, each of the directors was notified of the date, time and place of the budget meeting and the purpose for which it was called and a notice of the meeting was posted or published in accordance with §29-1-106, C.R.S.

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NOTICE AS TO PROPOSED 2023 BUDGET

Colorado Community Media
750 W. Hampden Ave. Suite 225
Englewood, CO 80110

Public Notice

**NOTICE OF PUBLIC HEARING
ON THE AMENDED 2022 BUDGETS
AND
NOTICE OF PUBLIC HEARING
ON THE PROPOSED 2023 BUDGETS**

Trails at Crowfoot MD (wba) **
c/o White, Bear & Ankele P.C.
2154 East Commons Avenue, Suite 2000
Centennial CO 80122

NOTICE IS HEREBY GIVEN that the Boards of Directors (collectively the "Boards") of the TRAILS AT CROWFOOT METROPOLITAN DISTRICT NOS. 1-3 (collectively the "Districts"), will hold a meeting via teleconference on **October 27, 2022 at 4:00 P.M.**, for the purpose of conducting such business as may come before the Boards including a public hearing on the 2023 proposed budgets (the "Proposed Budgets"). The necessity may also arise for amendments to the 2022 budgets (the "Amended Budgets"). This meeting can be joined using the following teleconference information:

Join Zoom Meeting
<https://us06web.zoom.us/j/87486241643?pwd=ZFFjR01WNIJqVSzcgHpaENHQkFYQT09>
Meeting ID: 874 8624 1643
Passcode: 675716
Call-In Number: 720-707-2699

NOTICE IS FURTHER GIVEN that the Proposed Budgets and Amended Budgets (if applicable) have been submitted to the Districts. A copy of the Proposed Budgets and Amended Budgets are on file in the office of CliftonLarsonAllen, LLP, 8390 E Crescent Pkwy #300, Englewood, CO 80111, where the same are open for public inspection.

Any interested elector of the Districts may file any objections to the Proposed Budgets and Amended Budgets at any time prior to final adoption of the Proposed Budgets or the Amended Budgets by the Boards. This meeting is open to the public and the agenda for any meeting may be obtained by calling (303) 858-1800.

**BY ORDER OF THE
BOARDS OF DIRECTORS:**

**TRAILS AT CROWFOOT METROPOLITAN
DISTRICT NOS. 1-3, quasi-municipal
corporations and political subdivisions of
the State of Colorado**

**/s/ WHITE BEAR ANKELE
TANAKA & WALDRON
Attorneys at Law**

Legal Notice No. 943979
First Publication: October 20, 2022
Last Publication: October 20, 2022
Publisher: Douglas County News-Press

**AFFIDAVIT OF
PUBLICATION**

State of Colorado }
County of Douglas } ss

This Affidavit of Publication for the Douglas County News Press, a weekly newspaper, printed and published for the County of Douglas, State of Colorado, hereby certifies that the attached legal notice was published in said newspaper once in each week, for 1 successive week(s), the last of which publication was made 10/20/2022, and that copies of each number of said paper in which said Public Notice was published were delivered by carriers or transmitted by mail to each of the subscribers of said paper, according to their accustomed mode of business in this office.



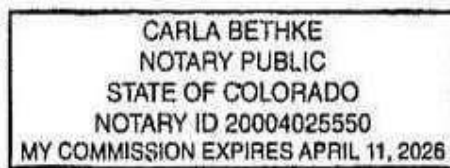
For the Douglas County News-Press

State of Colorado }
County of Arapahoe } ss

The above Affidavit and Certificate of Publication was subscribed and sworn to before me by the above named Linda Shapley, publisher of said newspaper, who is personally known to me to be the identical person in the above certificate on 10/20/2022. Linda Shapley has verified to me that she has adopted an electronic signature to function as her signature on this document.

20004025550-265250

Carla Bethke
Notary Public
My commission ends April 11, 2026



WHEREAS, the Board has designated its accountant to prepare and submit a proposed budget to the Board in accordance with Colorado law; and

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

WHEREAS, upon due and proper notice, provided in accordance with Colorado law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held and interested electors were given the opportunity to register their protest to the proposed budget prior to the adoption of the budget by the Board.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

Section 1. Adoption of Budget. The budget attached hereto and incorporated herein is approved and adopted as the budget of the District for fiscal year 2023. In the event of recertification of values by the County Assessor's Office after the date of adoption hereof, staff is hereby directed to modify and/or adjust the budget and certification to reflect the recertification without the need for additional Board authorization. Any such modification to the budget or certification as contemplated by this Section 1 shall be deemed ratified by the Board.

Section 2. Levy for General Operating Expenses. For the purpose of meeting all general operating expenses of the District during the 2023 budget year, there is hereby levied a tax of 10.164 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 3. Levy for Debt Service Obligations. For the purposes of meeting all debt service obligations of the District during the 2023 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.

Section 4. Levy for Contractual Obligation Expenses. For the purposes of meeting all contractual obligations of the District during the 2023 budget year, there is hereby levied a tax of 68.103 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 5. Levy for Capital Project Expenses. For the purposes of meeting all capital project obligations of the District during the 2023 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.

Section 6. Mill Levy Adjustment. When developing the attached budget, consideration was given to any changes in the method of calculating assessed valuation, including any changes to the assessment ratios, or any constitutionally mandated tax credit, cut or abatement, as authorized in the District's service plan. The Board hereby determines in good faith (such determination to be binding and final), that to the extent possible, the adjustments to the mill levies made to account for changes in Colorado law described in the prior sentence, and the actual tax revenues generated by the mill levies, are neither diminished nor enhanced as a result of those changes.

Section 7. Certification to County Commissioners. The Board directs its legal counsel, manager, accountant or other designee to certify to the Board of County Commissioners of Douglas County, Colorado the mill levies for the District as set forth herein. Such certification shall be in compliance with the requirements of Colorado law.

Section 8. Appropriations. The amounts set forth as expenditures in the budget attached hereto are hereby appropriated.

Section 9. Filing of Budget and Budget Message. The Board hereby directs its legal counsel, manager or other designee to file a certified copy of the adopted budget resolution, the budget and budget message with the Division of Local Government by January 30 of the ensuing year.

Section 10. Budget Certification. The budget shall be certified by a member of the District, or a person appointed by the District, and made a part of the public records of the District.

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ADOPTED OCTOBER 27, 2022.

DISTRICT:

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 2, a quasi-municipal corporation and political subdivision of the State of Colorado

By: Sarah Hunsche
Officer of the District

Attest:

By: Corey Elliott
Corey Elliott (Jan 17, 2023 12:58 MST)

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

Kristin B. Tompkins
General Counsel to the District

STATE OF COLORADO
COUNTY OF DOUGLAS
TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 2

I hereby certify that the foregoing resolution constitutes a true and correct copy of the record of proceedings of the Board adopted by a majority of the Board at a District meeting held via teleconference on Thursday, October 27, 2022, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 17 day of January, 2023.

Corey Elliott
Corey Elliott (Jan 17, 2023 12:58 MST)

EXHIBIT A
BUDGET DOCUMENT
BUDGET MESSAGE

**TRAILS AT CROWFOOT
METROPOLITAN DISTRICT NO. 2**

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2023

**TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 2
SUMMARY
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/30/23

| | ACTUAL 2021 | ESTIMATED 2022 | BUDGET 2023 |
|---|----------------|-------------------|----------------|
| BEGINNING FUND BALANCES | \$ - | \$ - | \$ - |
| REVENUES | | | |
| Property Taxes | 359,912 | 410,369 | 560,913 |
| Specific Ownership Taxes | 34,709 | 32,830 | 50,482 |
| Other Revenue | - | - | 5,357 |
| Interest Income | - | 36 | - |
| Town Capital and Main Property Taxes | 26,855 | 30,619 | 41,857 |
| Town Capital and Main Specific Ownership Taxes | 2,590 | 2,450 | 3,767 |
| Infrastructure Capital Property Taxes | 26,855 | 30,619 | 41,857 |
| Infrastructure Capital Specific Ownership Taxes | 2,590 | 2,450 | 3,767 |
| Total revenues | <u>453,511</u> | <u>509,373</u> | <u>708,000</u> |
| Total funds available | <u>453,511</u> | <u>509,373</u> | <u>708,000</u> |
| EXPENDITURES | | | |
| General Fund | 88,339 | 99,219 | 140,000 |
| Debt Service Fund | 365,172 | 410,154 | 568,000 |
| Total expenditures | <u>453,511</u> | <u>509,373</u> | <u>708,000</u> |
| Total expenditures and transfers out requiring appropriation | <u>453,511</u> | <u>509,373</u> | <u>708,000</u> |
| ENDING FUND BALANCES | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

No assurance provided. See summary of significant assumptions.

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 2
PROPERTY TAX SUMMARY INFORMATION
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

1/30/23

| ACTUAL | ESTIMATED | BUDGET |
|--------|-----------|--------|
| 2021 | 2022 | 2023 |

ASSESSED VALUATION

| | | | |
|-----------------------------|--------------|--------------|--------------|
| Residential - Single Family | \$ - | \$ 383,970 | \$ 3,774,210 |
| Agricultural | 260 | - | - |
| State assessed | - | - | 500 |
| Vacant land | 5,334,270 | 5,675,690 | 4,290,600 |
| Personal property | - | 22,740 | 170,830 |
| Other | 110 | 110 | 110 |
| Certified Assessed Value | \$ 5,334,640 | \$ 6,082,510 | \$ 8,236,250 |

MILL LEVY

| | | | |
|------------------------------|--------|--------|--------|
| General Fund | 10.069 | 10.069 | 10.164 |
| Debt Service | 57.398 | 57.398 | 57.939 |
| Town Capital and Maintenance | 5.034 | 5.034 | 5.082 |
| Infrastructure Capital | 5.034 | 5.034 | 5.082 |
| Total mill levy | 77.535 | 77.535 | 78.267 |

PROPERTY TAXES

| | | | |
|------------------------------|------------|------------|------------|
| General | \$ 53,714 | \$ 61,245 | \$ 83,713 |
| Debt Service | 306,198 | 349,124 | 477,200 |
| Town Capital and Maintenance | 26,855 | 30,619 | 41,857 |
| Infrastructure Capital | 26,855 | 30,619 | 41,857 |
| Levied property taxes | 413,622 | 471,607 | 644,627 |
| Budgeted property taxes | \$ 413,622 | \$ 471,607 | \$ 644,627 |

BUDGETED PROPERTY TAXES

| | | | |
|--------------|------------|------------|------------|
| General | \$ 57,444 | \$ 91,864 | \$ 125,570 |
| Debt Service | 327,459 | 379,743 | 519,057 |
| | \$ 413,622 | \$ 471,607 | \$ 644,627 |

No assurance provided. See summary of significant assumptions.

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 2
GENERAL FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

1/30/23

| | ACTUAL 2021 | ESTIMATED 2022 | BUDGET 2023 |
|---|----------------|-------------------|----------------|
| BEGINNING FUND BALANCE | \$ - | \$ - | \$ - |
| REVENUES | | | |
| Property Taxes | 53,714 | 61,245 | 83,713 |
| Specific Ownership Taxes | 5,180 | 4,900 | 7,534 |
| Other Revenue | - | - | 3,129 |
| Interest Income | - | 5 | - |
| Town Capital and Main Property Taxes | 26,855 | 30,619 | 41,857 |
| Town Capital and Main Specific Ownership Taxes | 2,590 | 2,450 | 3,767 |
| Total revenues | 88,339 | 99,219 | 140,000 |
| Total funds available | 88,339 | 99,219 | 140,000 |
| EXPENDITURES | | | |
| General and administrative | | | |
| County Treasurer's fee | 806 | 919 | 1,256 |
| Contingency | - | - | 3,129 |
| Transfer to Trails at Crowfoot MD No. 3 | 58,088 | 65,231 | 89,991 |
| County Treasurer's fee - Town | 403 | 459 | 628 |
| Transfer to Town | 29,042 | 32,610 | 44,996 |
| Total expenditures | 88,339 | 99,219 | 140,000 |
| Total expenditures and transfers out requiring appropriation | 88,339 | 99,219 | 140,000 |
| ENDING FUND BALANCE | \$ - | \$ - | \$ - |

No assurance provided. See summary of significant assumptions.

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 2
DEBT SERVICE FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

1/30/23

| | ACTUAL 2021 | ESTIMATED 2022 | BUDGET 2023 |
|---|----------------|-------------------|----------------|
| BEGINNING FUND BALANCE | \$ - | \$ - | \$ - |
| REVENUES | | | |
| Property Taxes | 306,198 | 349,124 | 477,200 |
| Specific Ownership Taxes | 29,529 | 27,930 | 42,948 |
| Other Revenue | - | - | 2,228 |
| Interest Income | - | 31 | - |
| Infrastructure Capital Property Taxes | 26,855 | 30,619 | 41,857 |
| Infrastructure Capital Specific Ownership Taxes | 2,590 | 2,450 | 3,767 |
| Total revenues | 365,172 | 410,154 | 568,000 |
| Total funds available | 365,172 | 410,154 | 568,000 |
| EXPENDITURES | | | |
| General and administrative | | | |
| County Treasurer's fee | 4,593 | 5,237 | 7,158 |
| Transfer to Trails at Crowfoot MD No. 3 | 360,176 | 404,458 | 557,986 |
| Infrastructure Capital County Treasurer's fee | 403 | 459 | 628 |
| Contingency | - | - | 2,228 |
| Total expenditures | 365,172 | 410,154 | 568,000 |
| Total expenditures and transfers out requiring appropriation | 365,172 | 410,154 | 568,000 |
| ENDING FUND BALANCE | \$ - | \$ - | \$ - |

No assurance provided. See summary of significant assumptions.

TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 2
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

The District is a quasi-municipal corporation and political subdivision of the State of Colorado under Title 32, Article 1 of the Colorado Revised Statutes, and was organized by order of the District Court in Douglas County on April 11, 2016. The formation of the District was approved by the Town of Parker, Colorado (the Town) in conjunction with the approval by the Town Board of a Consolidated Service Plan for the District and Trails at Crowfoot Metropolitan District 1 and 3 (together, the Districts) and Hess Ranch Metropolitan District Nos. 4-8. In June 2019, the District changed its name to Trails at Crowfoot Metropolitan District No. 2. The District's service area is located south of Hess Road and west of Motsenbocker Road in the Town in Douglas County, Colorado.

On November 3, 2015 and November 5, 2019, the District's authorized total indebtedness of for the District in the amount of \$2,123,287,500 for public improvements including street improvements, park and recreation, water, sanitation, public transportation, mosquito control, traffic and safety control, fire protection, television relay and translation, and security. \$1,022,947,500 of debt was also authorized for the purpose of refunding debt, operations and maintenance, and intergovernmental agreements. The District is authorized to increase taxes \$10,000,000 annually to pay the operations and administrative costs of the District, without limitation. The Service Plan limits (subject to adjustment) the District's operation and maintenance mill levy to 10.000 mills (as adjusted to 10.164 mills).

Additionally, the Service Plan limits (subject to adjustment) the District's debt service mill levy to 57.000 mills (as adjusted to 57.939 mills). The Service Plan also limits the imposition of the debt service mill levy to 40 years after initial year of imposition of such mill levy.

On June 17, 2019, the District entered into an intergovernmental agreements with the Town (the "Town IGA"). The Town IGA provides that the District will impose (a) the Infrastructure Capital Mill Levy (5 mills, subject to adjustment) and use the proceeds for certain regional improvements, (b) the Town Capital and Maintenance Mill Levy (5 mills, subject to adjustment) and remit the proceeds to the Town for certain Town improvements, and (c) the Operations Mill Levy (up to 10 mills subject to adjustment) and use the proceeds for the ongoing administrative and operating expenses of the District and for the maintenance of certain of the regional improvements. The Town IGA requires that the proceeds of the Infrastructure Capital Mill Levy and the Town Capital and Maintenance Mill Levy be paid by the District to the Town no later than 30 days after receipt, to be deposited by the Town in a separate fund; provided, however, that the Districts are permitted to retain revenues from the Infrastructure Capital Mill Levy to the extent needed to pay debt service on obligations repayable in whole or in part from such mill levy (which includes the Bonds).

The District has no employees and all administrative functions are contracted.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

**TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 2
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August, and generally, sale of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

The calculation of the taxes levied is displayed on Property Tax Summary Information page of the Budget at the adopted total mill levy.

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 9.0% of the property taxes collected.

Expenditures

County Treasurer's Fees

County Treasurer's collection fees have been computed at 1.5% of property tax collected.

Transfer to Trails at Crowfoot Metropolitan District No. 3

Transfers to Trails at Crowfoot Metropolitan District No. 3 (District No. 3) represent funds transferred to District No. 3 to provide overall administrative and operating services for the Districts, as well as to fund debt service payments.

Transfers to Town

Transfers to Town represent transfers to the Town under the Town IGA for revenues received by the District from the Town Capital and Maintenance Mill Levy. Under the terms of the agreement, the District shall remit any funds due to the Town no later than 30 days after receipt of the funds.

Debt and Leases

The District has no debt and operating or capital leases.

**TRAILS AT CROWFOOT METROPOLITAN DISTRICT NO. 2
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Reserves

Emergency Reserve

TABOR requires local governments to establish a emergency reserve. This reserve must be at least 3.0% of fiscal year spending. Since substantially all funds received by the District are transferred to District No. 3, which pays for all of the District's operations and maintenance costs, an Emergency Reserve is not reflected in the District's Budget. It is accounted for in District No. 3.

This information is an integral part of the accompanying budget.