

**BEEBE DRAW FARMS MD #2**  
8390 E. Crescent Pkwy., Suite 300  
Greenwood Village, Colorado 80111  
Tel: 303-779-5710 Fax: 303-779-0348

**A copy of the agenda/meeting packet is available at the Beebe Draw Farms website at [www.colorado.gov/beebedrawfarms](http://www.colorado.gov/beebedrawfarms)**

NOTICE OF SPECIAL MEETING AND AGENDA

<u>Board of Directors:</u>	<u>Office:</u>	<u>Term Expires:</u>
Christine Hethcock	President	May 2022
Diane Mead	Treasurer	May 2022/2023
Paul Joseph Knopinski	Asst. Secretary	May 2023
Vacant	Asst. Secretary	May 2022
Vacant	Asst. Secretary	May 2022
Lisa A. Johnson	Secretary	

DATE: November 10, 2021  
TIME: 6:00 P.M.  
PLACE: Via Microsoft Teams

[https://teams.microsoft.com/l/meetup-join/19%3ameeting\\_MWE5MTc1N2QtYjgzZi00Y2lyLTlhNmItNjQzOTRiMWQ5Nzk1%40thread.v2/0?context=%7b%22Tid%22%3a%224aaa468e-93ba-4ee3-ab9f-6a247aa3ade0%22%2c%22Oid%22%3a%22d42bab28-fbd8-4e65-a395-965cf9ef152f%22%7d](https://teams.microsoft.com/l/meetup-join/19%3ameeting_MWE5MTc1N2QtYjgzZi00Y2lyLTlhNmItNjQzOTRiMWQ5Nzk1%40thread.v2/0?context=%7b%22Tid%22%3a%224aaa468e-93ba-4ee3-ab9f-6a247aa3ade0%22%2c%22Oid%22%3a%22d42bab28-fbd8-4e65-a395-965cf9ef152f%22%7d)

**Or call in (audio only)**  
[+1 720-547-5281](tel:+17205475281),457528665# United States, Denver  
Phone Conference ID: 457 528 665#

1. ADMINISTRATIVE MATTERS
  - A. Present Disclosures and Potential Conflicts of Interest. Confirm quorum.
  - B. Approve Agenda and confirm location of meeting and posting of meeting notice.
  - C. Discuss business to be conducted in 2022 and location (**virtual and/or physical**) of meetings. Schedule regular meeting dates for 2022 to be scheduled for July 13 and November 9, 2022 at 6:00 p.m., at the Pelican Lake Ranch Community Info and Sales Center, 16502 Beebe Draw Farms Parkway, Platteville, Colorado. Consider Adoption of Resolution No. 2021-11-01; Resolution Establishing Regular Meeting Dates, Time and Location, and Designation Location for Posting of 24-Hour Notice (enclosure)

- D. Discuss and authorized renewal of District's insurance and Special District Association membership for 2022.
- E. Consider Approval of CliftonLarsonAllen LLP Master Service Agreement and related statement(s) of work (enclosure).

## 2. PUBLIC COMMENT

Members of the public may express their views to the Board on matters that affect the District that are otherwise not on the agenda. Comments will be limited to three (3) minutes per person.

## 3. CONSENT AGENDA

These items are considered to be routine and will be approved and/or ratified by one motion. There will be no separate discussion of these items unless a Board member requests; in which event, the item will be removed from the Consent Agenda and considered in the Regular Agenda.

- 1. Approve Minutes of the July 14, 2021 Special Meeting (enclosure).
- 2. Ratify approval of the payment of claims through the period ending October 31, 2021 (to be distributed).
- 3. Accept the Unaudited Financial Statements through period ending September 30, 2021 (to be distributed).

## 4. LEGAL MATTERS

- A. Discuss May 3, 2022 Regular Director Election regarding new legislative requirements and related expenses for same.
  - 1. Review and consider adoption of Resolution 2021-11-02, Calling May 3, 2022 Election for Directors, appointing Designated Election Official ("DEO") and authorizing the DEO to perform all tasks required for the conduct of a mail ballot election. Self-Nomination Forms are due by February 25, 2022. Discuss the need for ballot issues and/or questions. (enclosure).
  - 2. Discuss DEO services and authorize District President to obtain proposals and select provider.
- B. Discuss requirements of Section 32-1-809, C.R.S., and direct staff regarding compliance for 2022 (District Transparency Notice).

## 5. FINANCIAL MATTERS

- A. Discuss statutory requirements for an audit. Consider Appointing the Accountant to Prepare and File 2021 Audit Exemption Application.
  - B. Conduct Public Hearing to Consider Amendment to 2021 Budget (if necessary) and Consider Adoption of Resolution to Amend the 2021 Budget and Appropriate Expenditures.
  - C. Conduct Public Hearing on the Proposed 2022 Budget and consider adoption of Resolution to Adopt the 2022 Budget and Appropriate Sums of Money and Resolution to Set Mill Levies (enclosures – Resolutions and 2022 Draft Budget).
  - D. Discuss and consider adoption of Resolution Authorizing Adjustment of the District Mill Levy in Accordance with the Service Plan (enclosure).
  - E. Consider Authorizing the District Accountant to Prepare and Sign the DLG-70 Mill Levy Certification Form for Certification to the Board of County Commissioners and Other Interested Parties.
  - F. Consider Appointment of District Accountant to Prepare 2023 Budget.
  - G. Discuss resignation of Simmons & Wheeler P.C. as District Accountant. Consider approval of a proposal from CLA for accounting services.
6. OTHER MATTERS
- A. Other.
7. ADJOURNMENT:

**THERE ARE NO FURTHER MEETINGS SCHEDULED IN 2021.**

**RESOLUTION NO. 2021-11-\_\_****RESOLUTION OF THE BOARD OF DIRECTORS OF  
THE BEEBE DRAW FARMS METROPOLITAN DISTRICT NO. 2  
ESTABLISHING REGULAR MEETING DATES, TIME, AND LOCATION, AND  
DESIGNATING LOCATION FOR POSTING OF 24-HOUR NOTICES**

- A. Pursuant to Section 32-1-903(1.5), C.R.S., special districts are required to designate a schedule for regular meetings, indicating the dates, time and location of said meetings.
- B. Pursuant to Section 32-1-903(5), C.R.S., “location” means the physical, telephonic, electronic, or virtual place, or a combination of such means where a meeting can be attended. “Meeting” has the same meaning as set forth in Section 24-6-402(1)(b), C.R.S., and means any kind of gathering, convened to discuss public business, in person, by telephone, electronically, or by other means of communication.
- C. Pursuant to Section 24-6-402(2)(c)(I), C.R.S., special districts are required to designate annually at the board of directors of the district’s first regular meeting of each calendar year, the public place at which notice of the date, time and location of regular and special meetings (“**Notice of Meeting**”) will be physically posted at least 24 hours prior to each meeting (“**Designated Public Place**”). A special district is deemed to have given full and timely notice of a regular or special meeting if it posts its Notice of Meeting at the Designated Public Place at least 24 hours prior to the meeting.
- D. Pursuant to Section 24-6-402(2)(c)(III), C.R.S., special districts are relieved of the requirement to post the Notice of Meeting at the Designated Public Place, and are deemed to have given full and timely notice of a public meeting if a special district posts the Notice of Meeting online on a public website of the special district (“**District Website**”) at least 24 hours prior to each regular and special meeting.
- E. Pursuant to Section 24-6-402(2)(c)(III), C.R.S., if a special district is unable to post a Notice of Meeting on the District Website at least 24 hours prior to the meeting due to exigent or emergency circumstances, then it must physically post the Notice of Meeting at the Designated Public Place at least 24 hours prior to the meeting.
- F. Pursuant to Section 32-1-903(1.5), C.R.S., all meetings of the board that are held solely at physical locations must be held at physical locations that are within the boundaries of the district or that are within the boundaries of any county in which the district is located, in whole or in part, or in any county so long as the physical location does not exceed twenty (20) miles from the district boundaries unless such provision is waived.
- G. The provisions of Section 32-1-903(1.5), C.R.S., may be waived if: (1) the proposed change of the physical location of a meeting of the board appears on the agenda of a meeting; and (2) a resolution is adopted by the board stating the reason for which meetings of the board are to be held in a physical location other than under Section 32-1-903(1.5), C.R.S., and further stating the date, time and physical location of such meeting.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Beebe Draw Farms Metropolitan District No. 2 (the “**District**”), Weld County, Colorado:

1. That the provisions of Section 32-1-903(1.5), C.R.S., be waived pursuant to the adoption of this Resolution.

2. That the Board of Directors (the “**District Board**”) has determined that conducting meetings at a physical location pursuant to Section 32-1-903(1.5), C.R.S., would be inconvenient and costly for the directors and consultants of the District in that they live and/or work outside of the twenty (20) mile radius requirement.

3. That regular meetings of the District Board for the year 2022 shall be held on \_\_\_\_\_ at \_\_\_\_\_, at \_\_\_\_\_ [indicate physical location and/or virtual location (telephonically, electronically, or by other means)].

4. That special meetings of the District Board shall be held as often as the needs of the District require, upon notice to each director.

5. That, until circumstances change, and a future resolution of the District Board so designates, the physical location and/or method or procedure for attending meetings of the District Board virtually (including the conference number or link) shall appear on the agenda(s) of said meetings.

6. That the residents and taxpaying electors of the District shall be given an opportunity to object to the meeting(s) physical location(s), and any such objections shall be considered by the District Board in setting future meetings.

7. That the District has established the following District Website, <https://www.>, and the Notice of Meeting of the District Board shall be posted on the District Website at least 24 hours prior to meetings pursuant to Section 24-6-402(2)(c)(III), C.R.S. and Section 32-1-903(2), C.R.S.

8. That, if the District is unable to post the Notice of Meeting on the District Website <https://beebedrawfarmsauthority.colorado.gov/user> at least 24 hours prior to each meeting due to exigent or emergency circumstances, the Notice of Meeting shall be posted within the boundaries of the District at least 24 hours prior to each meeting, pursuant to Section 24-6-402(2)(c)(I) and (III), C.R.S., at the following Designated Public Place:

(a) In the mail room at the Sales & Info Center, 16502 Beebe Draw Farms Pkwy., Platteville, CO

9. The District Manager, or her designee, is hereby appointed to post the above-referenced notices.

**[SIGNATURE PAGE TO RESOLUTION ESTABLISHING REGULAR MEETING DATES, TIME, AND LOCATION, AND DESIGNATING LOCATION FOR 24-HOUR NOTICES]**

RESOLUTION APPROVED AND ADOPTED on November 10, 2021.

**BEEBE DRAW FARMS  
METROPOLITAN DISTRICT NO. 2**

By: \_\_\_\_\_  
President

Attest:

\_\_\_\_\_  
Secretary



**CliftonLarsonAllen LLP**  
 8390 East Crescent Pkwy., Suite 300  
 Greenwood Village, CO 80111  
 phone 303-779-5710 fax 303-779-0348  
[CLAconnect.com](http://CLAconnect.com)

October 7, 2021

Board of Directors  
 BEEBE DRAW MD NO. 2  
 8390 East Crescent Pkwy., Suite 300  
 Greenwood Village, CO 80111

Dear Board of Directors:

This master service agreement (“MSA”) documents the terms, objectives, and the nature and limitations of the services CliftonLarsonAllen LLP (“CLA,” “we,” “us,” and “our”) will provide for BEEBE DRAW MD NO. 2 (“you,” “your,” or “the district”). The terms of this MSA will apply to the initial and each subsequent statement of work (“SOW”), unless the MSA is changed in a communication that you and CLA both sign or is terminated as permitted herein.

#### **Scope of professional services**

CLA will provide services as described in one or more SOW that will reference this MSA. The SOW will describe the scope of professional services; the nature, limitations, and responsibilities related to the specific services CLA will provide; and the fees for such services.

If modifications or changes are required during CLA’s performance of requested services, or if you request that we perform any additional services, we will provide you with a separate SOW for your signature. Such SOW will advise you of the additional fee and time required for such services to facilitate a clear understanding of the services.

Our services cannot be relied upon to disclose errors, fraud, or noncompliance with laws and regulations. Except as described in the scope of professional services section of this MSA or any applicable SOW, we have no responsibility to identify and communicate deficiencies in your internal control as part of any services.

#### **Management responsibilities**

Management and, when appropriate, the board of directors of the district acknowledge and understand that our role is to provide the services identified in an SOW and that management and the board of directors of the district have certain responsibilities that are fundamental to our undertaking to perform the identified services. The district may engage CLA to perform management functions to help the board of directors of the district to meet your responsibilities, but the board of directors of the district acknowledges its management responsibilities. References to management in this MSA and in an SOW are applicable to the board of directors of the district.

**Responsibilities and limitations related to nonattest services**

For all nonattest services we may provide to you, your management agrees to assume all management responsibilities; oversee the services; evaluate the adequacy and results of the services; ensure that your data and records are complete; and accept responsibility for the results of the services.

**Fees and terms**

See the applicable SOW for the fees for the services.

Work may be suspended if your account becomes 90 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagements will be deemed to have been completed even if we have not completed the services. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

Payments may be made utilizing checks, Bill.com, your online banking platform, CLA's electronic payment platform, or any other client initiated payment method approved by CLA. CLA's electronic online bill pay platform [claconnect.com/billpay](http://claconnect.com/billpay) accepts credit card and Automated Clearing House (ACH) payments. Instructions for making direct bank to bank wire transfers or ACH payments will be provided upon request.

***Other fees***

You also agree to compensate us for any time and expenses, including time and expenses of legal counsel, we may incur in responding to discovery requests or participating as a witness or otherwise in any legal, regulatory, or other proceedings that we are asked to respond to on your behalf.

***Finance charges and collection expenses***

You agree that if any statement is not paid within 30 days from its billing date, the unpaid balance shall accrue interest at the monthly rate of one and one-quarter percent (1.25%), which is an annual percentage rate of 15%. In the event that any collection action is required to collect unpaid balances due us, reasonable attorney fees and expenses shall be recoverable.

**Mediation**

Any disagreement, controversy, or claim ("Dispute") that may arise out of any aspect of our services or relationship with you shall be submitted to non-binding mediation by written notice ("Mediation Notice") to the other party. In mediation, we will work with you to resolve any differences voluntarily with the aid of an impartial mediator.

The mediation will be conducted as specified by the mediator and agreed upon by the parties (i.e., you and CLA). The parties agree to discuss their differences in good faith and to attempt, with the assistance of the mediator, to reach an amicable resolution of the Dispute.

Each party will bear its own costs in the mediation. The fees and expenses of the mediator will be shared equally by the parties.

Any Dispute will be governed by the laws of the state of Colorado, without giving effect to choice of law principles.



### **Limitation of remedies**

**These limitation of remedies provisions are not applicable for any audit, examination, or agreed-upon procedures services provided to you.**

Our role is strictly limited to the services described in an SOW, and we offer no assurance as to the results or ultimate outcomes of any services or of any decisions that you may make based on our communications with you. You agree that it is appropriate to limit the liability of CLA, its partners, principals, directors, officers, employees, and agents (each a "CLA party") and that this limitation of remedies provision is governed by the laws of the state of Colorado, without giving effect to choice of law principles.

You further agree that you will not hold CLA or any other CLA party liable for any claim, cost, or damage, whether based on warranty, tort, contract, or other law, arising from or related to this MSA, the services provided under an SOW, the work product, or for any plans, actions, or results of an SOW, except to the extent authorized by this MSA. In no event shall any CLA party be liable to you for any indirect, special, incidental, consequential, punitive, or exemplary damages, or for loss of profits or loss of goodwill, costs, or attorney fees.

The exclusive remedy available to you shall be the right to pursue claims for actual damages that are directly caused by acts or omissions that are breaches by a CLA party of our duties owed under this MSA and the specific SOW thereunder, but any recovery on any such claims shall not exceed the fees actually paid by you to CLA pursuant to the SOW that gives rise to the claim.

### **Time limitation**

The nature of our services makes it difficult, with the passage of time, to gather and present evidence that fully and fairly establishes the facts underlying any dispute that may arise between you and any CLA party. The parties (you and CLA) agree that, notwithstanding any statute or law of limitations that might otherwise apply to a dispute, including one arising out of this MSA or the services performed under an SOW, for breach of contract or fiduciary duty, tort, fraud, misrepresentation or any other cause of action or remedy, any action or legal proceeding by you against any CLA party must be commenced as provided below, or you shall be forever barred from commencing a lawsuit or obtaining any legal or equitable relief or recovery. An action to recover on a dispute shall be commenced within the shorter of these periods ("Limitation Period"):

### **Consulting services**

- For each service pursuant to an SOW, separately within twenty-four (24) months after the date we deliver the services or work product pursuant to the SOW on which the dispute is based, regardless of whether any CLA party provides other services for you under this MSA or other SOW.
- Within twenty-four (24) months from the date of our last billing for services performed pursuant to the SOW on which the dispute is based.
- Within twenty-four (24) months after the termination by either party of either this MSA or the district's ongoing relationship with CLA.

### **Tax services**

- For tax return preparation, separately within thirty-six (36) months after the date when we deliver any final tax return(s) pursuant to the SOW on which the dispute is based, regardless of whether any CLA party provides other services for you under this MSA or other SOW relating to said return(s).

CLA is an independent member of Nexia International, a leading, global network of independent accounting and consulting firms. See [nexia.com/member-firm-disclaimer](http://nexia.com/member-firm-disclaimer) for details.



- For tax consulting engagements, separately within thirty-six (36) months from the date of our last billing for services pursuant to the SOW on which the dispute is based.
- For all tax return and tax consulting engagements, within twelve (12) months from the date when you terminate this MSA or the district's ongoing relationship with CLA.

***Examination, compilation, and preparation services related to prospective financial information***

- For examination, compilation, and preparation services related to prospective financial information (i.e., forecasts and projections), separately within twelve (12) months after the dates when we deliver the work product pursuant to the SOW on which the dispute is based, regardless of whether any CLA party provides other services for you relating to the work product.

***Audit, review, examination, agreed-upon procedures, compilation, and preparation services other than those related to prospective financial information***

- For audit, review, examination, agreed-upon procedures, compilation, and preparation services, separately within twenty-four (24) months after the dates when we deliver the work product pursuant to the SOW on which the dispute is based, regardless of whether any CLA party provides other services for you relating to the work product.

The applicable Limitation Period applies and begins to run even if you have not suffered any damage or loss, or have not become aware of the existence or possible existence of a dispute.

**CLA shall be authorized to the following cash access services:**

- Using any or a combination of the following methods and approval processes, we will pay your vendors and service providers based upon invoices that you have reviewed and approved:
  - Paper checks – we will prepare the checks for your approval and wet ink signature.
  - Payments using Bill.com – we will only release payments after you have electronically approved and authorized such payments.
  - ACH/Wire – we will use this method as needed/as requested, with your approval.

We understand that you will designate one or more members of the Board to approve disbursements using the above methods.

- If applicable, access the entity credit card for purposes of purchasing products and services on your behalf up to a certain limit that will be discussed with you and documented separately.
- Obtain administrator access to your bank accounts for purposes of performing the duties documented in our engagement letter identified above.
- Take deposits to the bank that include cash.
- If applicable, have access to cash-in-kind assets, such as coupons.
- If applicable, initiate direct deposits or sign checks as part of the payroll processing function.

CLA is an independent member of Nexia International, a leading, global network of independent accounting and consulting firms. See [nexia.com/member-firm-disclaimer](http://nexia.com/member-firm-disclaimer) for details.



### **Management responsibilities relevant to CLA's access to your cash**

All members of your Board of Directors are responsible for the processes below; however, we understand that you will designate one or more board members to review and give approvals for disbursements. All approvals must be documented in writing, either electronically or manually, then formally ratified in board meetings and documented in the meeting minutes.

- Approve all invoices and check payments.
- Approve all new vendors and customers added to the accounting system.
- Approve non-recurring wires to external parties.
- Pre-approve for recurring wires, then Board will ratify approval.
- Approve all new employees and all employee status changes prior to those employees or changes being added to the payroll system.
- Approve all credit card statements prior to those expenses being processed in the accounting system and subsequently paid.
- Approve (or delegate to the CLA controller if applicable) all customer and vendor credit memos and accounts receivable amounts written off.
- Review and approve (or delegate to the CLA controller if applicable) all bank statements and affiliated monthly reconciliations.

### **Other provisions**

Except as permitted by the "Consent" section of this agreement, CLA will not disclose any confidential, proprietary, or privileged information of the district or you to any person or party, unless the district or you authorizes us to do so, it is published or released by the district, it becomes publicly known or available other than through disclosure by us, or disclosure is required by law. This confidentiality provision does not prohibit us from disclosing your information to one or more of our affiliated companies in order to provide services that you have requested from us or from any such affiliated company. Any such affiliated company shall be subject to the same restrictions on the use and disclosure of your information as apply to us.

Pursuant to authority given by law or regulation, we may be requested to make certain workpapers available to a regulator for its regulatory oversight purposes. We will notify you of any such request, if permitted by law. Access to the requested workpapers will be provided to the regulator under the supervision of CLA personnel and at a location designated by our firm. Furthermore, upon request, we may provide copies of selected workpapers to such regulator. The regulator may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

You acknowledge and agree that this agreement and the pricing structure and billing rates of CLA are sensitive information which you shall not furnish or otherwise disclose to any third party without the prior written consent of CLA or as required by law.

We will be responsible for our own property and casualty, general liability, and workers compensation insurance, taxes, professional training, and other personnel costs related to the operation of our business.

CLA is an independent member of Nexia International, a leading, global network of independent accounting and consulting firms. See [nexia.com/member-firm-disclaimer](http://nexia.com/member-firm-disclaimer) for details.



When performing the services identified in applicable SOWs, we will utilize the resources available at the district, when applicable, to the extent practical to continue development of your personnel. During a portion of our work, we may require the use of your computers. We will try to give you advance notice and coordinate our use so it does not interfere with your employees.

The relationship of CLA with the district shall be solely that of an independent contractor and nothing in this agreement shall be construed to create or imply any relationship of employment, agency, partnership, or any relationship other than an independent contractor.

If applicable, accounting standards and procedures will be suggested that are consistent with those normally utilized in a district of your size and nature. Internal controls may be recommended relating to the safeguarding of the district's assets. If fraud is initiated by your employees or other service providers, your insurance is responsible for covering any losses.

The district agrees that CLA will not be assuming any fiduciary responsibility on your behalf during the course of this agreement, except as may be assumed in a SOW.

CLA may, at times, utilize external web applications to receive and process information from our clients; however, it is not appropriate for you to upload protected health information using such applications. All protected health information contained in a document or file that you plan to transmit to us via a web application must be redacted by you to the maximum extent possible prior to uploading the document or file. In the event that you are unable to remove or obscure all protected health information, please contact us to discuss other potential options for transmitting the document or file.

## **Consent**

### ***Consent to use financial information***

Annually, we assemble a variety of benchmarking analyses using data obtained through our client engagements. Some of this benchmarking information is published and released publicly. However, the information that we obtain is confidential, as required by the AICPA Code of Professional Conduct. Your acceptance of this MSA will serve as your consent to use of BEEBE DRAW MD NO. 2 information in these cost comparison, performance indicator, and/or benchmarking reports.

### ***Subcontractors***

CLA may, at times, use subcontractors to perform services under this agreement, and they may have access to your information and records. Any such subcontractors will be subject to the same restrictions on the use of such information and records as apply to CLA under this agreement.

### ***Technology***

CLA may, at times, use third-party software applications to perform services under this agreement. You authorize CLA to sign on your behalf any vendor agreements applicable to such software applications. CLA can provide a copy of the application agreement at your request. You acknowledge the software vendor may have access to your data.

## **Termination of MSA**

Either party may terminate this MSA at any time by giving 30 days written notice to the other party. In that event, the provisions of this MSA shall continue to apply to all services rendered prior to termination.

**Agreement**

We appreciate the opportunity to be of service to you and believe this MSA accurately summarizes the significant terms of our relationship. This MSA, along with the applicable SOW(s), constitute the entire agreement regarding services to be performed and supersedes all prior agreements (whether oral or written), understandings, negotiations, and discussions between you and CLA. If you have any questions, please let us know. If you agree with the terms of our relationship as described in this MSA, please sign, date, and return.

Sincerely,

**CliftonLarsonAllen LLP**

A handwritten signature in black ink, appearing to read 'M. Urkoski', written over a horizontal line.

Matt Urkoski  
Principal  
Matt.Urkoski@CLAconnect.com

**Response:**

This agreement correctly sets forth the understanding of BEEBE DRAW MD NO. 2.

APPROVED:

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Signature

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Title

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Date



**CliftonLarsonAllen LLP**  
 8390 East Crescent Pkwy., Suite 300  
 Greenwood Village, CO 80111  
 phone 303-779-5710 fax 303-779-0348  
[CLAconnect.com](http://CLAconnect.com)

## **Special Districts Management Services SOW**

This agreement constitutes a Statement of Work (“SOW”) to the Master Service Agreement (“MSA”) made by and between CliftonLarsonAllen LLP (“CLA,” “we,” “us,” and “our”) and Beebe Draw Metro District No. 2 (“you” and “your”) dated October 7, 2021. The purpose of this SOW is to outline certain services you wish us to perform in connection with that agreement.

### **Scope of professional services**

Matt Urkoski is responsible for the performance of the engagement and other services identified in this agreement. They may be assisted by one or more of our authorized signers in the performance of the engagement.

### **Scope of Management Services**

CLA will perform the following services for the District:

#### **District Board of Directors (“Board”) Meetings**

- Coordination of all Board meetings;
- Meeting Attendance: District Manager and/or designee will attend all Board meetings;
- Preparation and distribution of agenda and informational materials;
- Preparation of meeting minutes for all meetings;
- Preparation and posting of legal notices required in conjunction with the meetings;
- Other details incidental to meeting preparation and follow-up.

#### **Recordkeeping**

- Maintain lists of persons and organizations for correspondence;
- Vendor listing as needed or requested by the Board;
- Repository of all District records and act as Custodian of records for purposes of CORA (as that term is defined in the District’s Resolution Designating an Official Custodian for Purposes of the Colorado Open Records Act, Sections 24-72-201 *et seq.*, C.R.S.).

#### **Communications**

- 24/7 answering and paging services;
- Website administration. It is recommended that the District have a website; however, CLA will not provide a website for the District on CLA’s website. CLA will oversee daily management and maintenance of the District website as needed or requested by the District;
- Respond to routine inquiries, questions and requests for information regarding the District;
- Periodic reports to the Board regarding the status of District matters and actions taken or contemplated by the District Manager on behalf of the District as requested by the Board;
- Provide liaison and coordination with municipal, county and state governmental agencies.

### **Contract Administration**

- Insurance administration, including risk evaluation, comparison of coverage, processing claims, completion of applications, monitoring expiration dates, processing routine written and telephone correspondence;
- Ensure all contractors and sub-contractors maintain the required insurance coverage for the District's benefit;
- Bidding, contract and construction administration and supervision of project processes assigned by the Board and project contractors;
- Confer with and coordinate legal, accounting, engineering, auditing and other professional services to the District by those professionals and consultants retained by the District as directed by the Board (CLA itself will not and cannot provide legal services);
- Represent the District with other entities and bodies as requested by the Board (but not as its representative for legal matters);
- Bid, contract, and supervise all District vendors

### **Document Administration**

- Provide coordination and administration for the continuing revision of the District's Rules and Regulations;
- Provide framed aerial photographic mapping of the District, if requested;
- In conjunction with and at the direction of the District's legal counsel, coordinate all elections for the District in accordance with state law, including preparation of election materials, publications, legal notices, training session for election judges and general election assistance; CLA will not serve as the Designated Election Official ("DEO");
- Administer any legal documents, permits, or agreements that relate to or District facilities and any Rules and Regulations adopted by the Board.

### **Accounts Payable Services to be Provided:**

- Coordinate review, approval and coding of all invoices with District Accountant and Board to ensure timely payment

In addition to these services, when, in the professional opinion of the District Manager, other services are necessary, the District Manager shall recommend the same to the Board or perform such services and report to the Board the nature of such services, the reason they were required, and the result achieved; provided however, with the exception of emergencies, that if such additional services are expected to cost more than \$2,000.00, the District Manager shall discuss such costs with the Board and receive prior authorization to perform such services.

### **Fees, time estimates, and terms**

Our professional fees will be billed based on the time involved and the degree of responsibility and skills required. We will also bill for expenses (including internal and administrative charges) plus a technology and client support fee of five percent (5%) of all professional fees billed. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm



policies, work may be suspended if your account becomes 60 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed even if we have not issued our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

**CLA'S 2021 STANDARD HOURLY RATES FOR PUBLIC MANAGEMENT SERVICES:**

- Principals \$190 - \$325
- Public managers \$190 - \$325
- Assistant public managers \$110 - \$150
- Public management analysts \$110 - \$150
- District administrators \$125 - \$145
- Records retention coordinators \$ 90 - \$115

Out-of-pocket expenses such as out-of-town travel, meals, and lodging will be billed at cost and are not included in the fees quoted above. The fee estimates are based on anticipated cooperation from your personnel and their assistance with preparing requested schedules. If the requested items are not available on the dates required or are not accurate, the estimated fees will likely be higher. If unexpected circumstances require significant additional time, we will advise you before undertaking work that would require a substantial increase in the fee estimates.

**Municipal advisors**

For the avoidance of doubt, the district is not engaging CLA as a municipal advisor, and CLA is not a municipal advisor as defined in Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act or under Section 158 of the Securities Exchange Act of 1934 (the "Act"). CLA is not recommending an action to you, is not acting as an advisor to you, and does not owe a fiduciary duty to you pursuant to Section 158 of the Act with respect to the information and material contained in the deliverables issued under this engagement. You should discuss any information and material contained in the deliverables with any and all internal and external advisors that you deem appropriate before acting on this information or material.

**Additional provisions required by CRS 8-17.5-102(2)(a)(I) and (II)**

***Unlawful employees, contractors, and subcontractors***

We shall not knowingly employ or contract with a worker without authorization to perform work under this contact. We shall not knowingly contract with a subcontractor that (a) knowingly employs or contracts with a worker without authorization to perform work under this contract or (b) fails to certify to us that the subcontractor will not knowingly employ or contract with a worker without authorization to perform work under this contact. [CRS 8-17.5-102(2)(a)(I) and (II)]

***Verification regarding workers without authorization***

We have verified or attempted to verify through participation in the E-Verify Program or the Department Program [as defined in CRS 8-17.5-101(3.3) and (3.7) of the state of Colorado that we do not employ or contract workers without authorization.

***Limitation regarding E-Verify Program and the Department Program***

We shall not use the E-Verify Program or the Department Program procedures to undertake pre-employment screening of job applicants while performing this contract. [CRS 8-17.5-102(2)(b)(II)]

***Duty to terminate a subcontractor and exceptions***

If we obtain actual knowledge that a subcontractor performing work under this contract knowingly employs or contracts with an illegal alien, we shall, unless the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with a worker without authorization.

- (1) Notify the subcontractor and the district within three days that we have actual knowledge that the subcontractor is employing or contracting with a worker without authorization; and
- (2) Terminate the subcontract with the subcontractor if, within three days of receiving notice that we have actual knowledge that the subcontractor is employing or contracting with a worker without authorization, the subcontractor does not stop employing or contracting with the worker without authorization. [CRS 8-17.5-102(2)(b)(A) and (B)]

***Duty to comply with state investigation***

We shall comply with any reasonable request of the Colorado Department of Labor and Employment made in the course of an investigation pursuant to CRS 8-17.5-102(5). [CRS 8-17.5-102(2)(b)(IV)]

**Agreement**

We appreciate the opportunity to provide the services described in this SOW related to the MSA. All terms and provisions of the MSA shall apply to these services. If you agree with the terms of this SOW, please sign below and return a signed copy to us by email or U.S. mail to indicate your acknowledgment and understanding of, and agreement with, this SOW.

Sincerely,

**CliftonLarsonAllen LLP**



Matt Urkoski  
Principal  
Matt.Urkoski@CLAconnect.com

APPROVED:

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Signature

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Title

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Date



**MINUTES OF A SPECIAL MEETING OF  
THE BOARD OF DIRECTORS OF THE  
BEEBE DRAW FARMS METROPOLITAN DISTRICT NO. 2  
HELD  
July 14, 2021**

A special meeting of the Board of Directors (referred to hereafter as the “Board”) of the Beebe Draw Farms Metropolitan District No. 2 (referred to hereafter as the “District”) was convened on Wednesday, the 14<sup>th</sup> day of July, 2021, at 6:00 P.M. Due to concerns regarding the spread of the Coronavirus (COVID-19) and the benefits to the control of the spread of the virus by limiting in-person contact, this District Board meeting was held via Microsoft Teams videoconference and teleconference. The meeting was open to the public.

ATTENDANCE

**Directors In Attendance Were:**

Christine Hethcock  
Diane Mead  
Paul Joseph “Joe” Knopinski

**Also In Attendance Were:**

Lisa Johnson and Rebecca Gianarkis; CliftonLarsonAllen LLP  
Alan Pogue, Esq.: Icenogle, Seaver, Pogue, P.C.  
Bill Caldwell, Todd Sundeen, Josh Freeman, Mike Welch & Eric Wernsman;  
Beebe Draw Farms Metropolitan District No. 1 Board Members  
Diane Wheeler; Simmons & Wheeler, P.C.

Members of the Public:

Tina Wernsman, Cindy Key, Nathan Clark, Crystal Clark, John Coleman, and Kim Coleman; Residents

ADMINISTRATIVE  
MATTERS

**Disclosures of Potential Conflicts of Interest:** The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board and to the Secretary of State.

Ms. Johnson noted that a quorum was present and requested members of the Board disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with the statute and have been filed.

**Agenda, Confirmation of Notice Posting:** Ms. Johnson distributed for the Board’s review and approval a proposed agenda for the District’s special meeting.

Following discussion, upon motion duly made by Director Knopinski, seconded

by President Hethcock and, upon vote, unanimously carried, the agenda was approved as presented. Ms. Johnson advised that meeting notices were posted as required.

**Appointment of Board member to serve on the Beebe Draw Farms Authority Board (“Authority Board”):** Upon a motion duly made by President Hethcock, seconded by Director Mead, and, upon vote, unanimously carried, the Board appointed Director Knopinski to serve a two-year term on the Authority Board.

**Board member attendance at SDA Conference:** The board discussed selecting a member to attend the SDA Conference on behalf of the District. After discussion, Director Knopinski stated he would like to attend. No further action was taken.

**PUBLIC COMMENT**

There were no public comments.

**CONSENT AGENDA**

The Board considered the following actions:

- Approval of the Minutes of the November 11, 2020 Special Meeting.
- Ratification of approval of the payment of claims through the period ending June 30, 2021 totaling \$5,709.86.
- Acceptance of the Unaudited Financial Statements for period ending March 31, 2021.
- Ratification of Acceptance of 2020 Audit Exemption.

Following discussion, upon motion duly made by Director Knopinski, seconded by President Hethcock and, upon vote, unanimously carried, the Board approved the Consent Agenda.

**LEGAL MATTERS**

There were no legal matters for discussion.

**FINANCIAL MATTERS**

**Preparation of 2022 Budget:** Upon a motion duly made by Director Mead, seconded by Director Knopinski, and, upon vote, unanimously carried, the Board ratified the appointment of the District Accountant to prepare the 2022 Budget and set the date for a Public Hearing to Adopt the 2022 Budget for November 10, 2021, at 6:00 p.m.

**OTHER BUSINESS**

There was no other business discussed.

**ADJOURNMENT**

There being no further business to come before the Board at this time, upon a motion duly made by Director Hethcock, seconded by Director Knopinski and, upon vote, unanimously carried, the meeting was adjourned at 8:03 p.m.

Respectfully submitted,

By \_\_\_\_\_  
Secretary for the Meeting

**RESOLUTION NO. 2021-11-02**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF  
BEEBE DRAW FARMS METROPOLITAN DISTRICT NO. 2  
CALLING A REGULAR ELECTION FOR DIRECTORS  
MAY 3, 2022**

A. The term of the office of Director Christine Hethcock shall expire upon the election of her successor at the regular election, to be held on May 3, 2022 (“**Election**”), and upon such successors taking office.

B. The term of office to which Director Diane Mead has previously been appointed expires upon her re-election, or the election of her successor at the Election, and upon such successor taking office.

C. Two (2) vacancies currently exist on the Board of Directors of the District.

D. In accordance with the provisions of the Special District Act (“**Act**”) and the Uniform Election Code (“**Code**”), the Election must be conducted to elect one (1) Director to serve until the next regular election, to occur May 2, 2023, and three (3) Directors to serve until the second regular election, to occur May 6, 2025.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Beebe Draw Farms Metropolitan District No. 2 (the “**District**”) of the County of Weld, Colorado:

1. Date and Time of Election. The Election shall be held on May 3, 2022, between the hours of 7:00 A.M. and 7:00 P.M. pursuant to and in accordance with the Act, Code, and other applicable laws. At that time, one (1) Directors shall be elected to serve until the next regular election, to occur May 2, 2023, and three (3) Directors shall be elected to serve until the second regular election, to occur May 6, 2025.

2. Precinct. The District shall consist of one (1) election precinct for the convenience of the eligible electors of the District.

3. Conduct of Election. The Election shall be conducted as an independent mail ballot election in accordance with all relevant provisions of the Code. The Designated Election Official shall have on file, no later than fifty-five (55) days prior to the Election, a plan for conducting the independent mail ballot Election.

4. Designated Election Official. Jessie Stamper shall be the Designated Election Official and is hereby authorized and directed to proceed with any action necessary or appropriate to effectuate the provisions of this Resolution and of the Act, Code or other applicable laws. The Election shall be conducted in accordance with the Act, Code and other applicable laws. Among other matters, the Designated Election Official shall appoint election judges as necessary, arrange for the required notices of election (either by mail or publication) and printing of ballots, and direct that all other appropriate actions be accomplished.

5. Call for Nominations. The Designated Election Official shall provide Call for Nominations as required under Section 1-13.5-501, C.R.S., as applicable.

6. Absentee Ballot Applications. NOTICE IS FURTHER GIVEN, pursuant to Section 1-13.5-1002, C.R.S., that applications for and return of absentee ballots may be filed with the Designated Election Official of the District, c/o McGeady Becher P.C., 450 E. 17<sup>th</sup> Avenue, Suite 400, Denver, Colorado 80203-1254, between the hours of 8:00 a.m. and 5:00 p.m., until the close of business on the Tuesday immediately preceding the Election (April 26, 2022).

7. Self-Nomination and Acceptance Forms. Self-Nomination and Acceptance Forms are available and can be obtained from the Designated Election Official for Beebe Draw Farms Metropolitan District No. 2, at the above address, and on the District's website at [www.colorado.gov/beebedrawfarms](http://www.colorado.gov/beebedrawfarms).

8. Cancellation of Election. If the only matter before the electors is the election of Directors of the District and if, at 5:00 P.M. on March 1, 2022, the sixty-third day prior to the regular election, there are not more candidates than offices to be filled at the Election, including candidates timely filing affidavits of intent, the Designated Election Official shall cancel the Election and declare the candidates elected. Notice of such cancellation shall be published and posted in accordance with law.

9. Severability. If any part or provision of this Resolution is adjudged to be unenforceable or invalid, such judgment shall not affect, impair or invalidate the remaining provisions of this Resolution, it being the Board of Director's intention that the various provisions hereof are severable.

10. Repealer. All acts, orders and resolutions, or parts thereof, of the Board of Directors which are inconsistent or in conflict with this Resolution are hereby repealed to the extent only of such inconsistency or conflict.

11. Effective Date. The provisions of this Resolution shall take effect as of the date adopted and approved by the Board of Directors of the District.

**[SIGNATURE PAGE FOLLOWS]**



**[SIGNATURE PAGE TO RESOLUTION  
CALLING A REGULAR ELECTION FOR DIRECTORS  
MAY 3, 2022]**

RESOLUTION APPROVED AND ADOPTED on November 10, 2021.

**BEEBE DRAW FARMS  
METROPOLITAN DISTRICT NO. 2**

By: \_\_\_\_\_  
President

Attest:

\_\_\_\_\_  
Secretary or Assistant Secretary

**Beebe Draw Farms Metropolitan District No. 2**  
**Proposed Budget**  
**General Fund**  
**For the Year ended December 31, 2022**

	Adopted Budget <u>2021</u>	Actual 7/31/2021	Estimate 2021	Proposed Budget <u>2022</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -
Revenues:				
Property taxes	280,000	279,838	280,000	257,173
Property taxes - Capital Pledge 2051	12,020	12,020	12,020	13,086
Property taxes - Capital Pledge 2055	8,743	8,732	8,743	11,820
Specific ownership taxes	15,000	8,657	15,000	15,000
Interest income	<u>2,001</u>	<u>97</u>	<u>200</u>	<u>2,001</u>
Total revenues	<u>317,764</u>	<u>309,344</u>	<u>315,963</u>	<u>299,080</u>
Total funds available	<u>317,764</u>	<u>309,344</u>	<u>315,963</u>	<u>299,080</u>
Expenditures:				
Accounting / audit	7,500	3,031	7,500	7,500
Insurance and Bonds	3,500	3,394	3,400	3,500
Legal FRICO				
Election expense	-	-	-	1,000
Legal oil and gas				
Legal	6,000	880	4,500	4,500
Management	5,000	1,531	4,500	5,000
Project management				
Property management				
Miscellaneous	500	-	147	500
Directors fees	1,200	300	1,200	1,200
Payroll Taxes	77	-	77	77
Treasurer's fees	4,511	4,509	4,511	4,231
Transfer to Authority- Infrastructure	68,314	91,464	89,277	108,553
Transfer to Authority- Amenities	17,078	22,866	22,319	27,138
Transfer to Authority- General	203,235	181,369	177,032	135,056
Contingency	-	-	-	-
Emergency reserve (3%)	<u>849</u>	<u>-</u>	<u>-</u>	<u>825</u>
Total expenditures	<u>317,764</u>	<u>309,344</u>	<u>314,463</u>	<u>299,080</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,500</u>	<u>\$ -</u>
Assessed valuation	<u>\$ 5,599,990</u>			<u>\$ 5,143,460</u>
Assessed valuation - Capital Pledge 2051 (36 lots)	<u>\$ 1,079,700</u>			<u>\$ 1,175,380</u>
Assessed valuation - Capital Pledge 2055 (45 lots)	<u>\$ 785,280</u>			<u>\$ 1,061,690</u>
Mill levy refund				
Mill Levy	<u>50,000</u>			<u>50,000</u>
Mill Levy - capital pledge	<u>11,133</u>			<u>11,133</u>
District 2 costs				<u>26,332.24</u>
Authority costs				<u>135,055.67</u>

**RESOLUTION NO. 2021-11-\_\_\_\_**

**RESOLUTION TO ADOPT BUDGET AND APPROPRIATE SUMS OF MONEY  
RESOLUTION OF THE BOARD OF DIRECTORS OF BEEBE DRAW FARMS  
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 2022**

A. The Board of Directors of Beebe Draw Farms 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 on October 7, 2021 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 7, 2021, 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 BEEBE DRAW FARMS 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 10, 2021.

**BEEBE DRAW FARMS  
METROPOLITAN DISTRICT NO. 2**

By: \_\_\_\_\_  
President

Attest:

By: \_\_\_\_\_  
Secretary or Assistant Secretary

**EXHIBIT A**

Budget

I, \_\_\_\_\_, hereby certify that I am the duly appointed Secretary or Assistant Secretary of the Beebe Draw Farms Metropolitan District No. 2, and that the foregoing is a true and correct copy of the budget for the budget year 2022, duly adopted at a meeting of the Board of Directors of the Beebe Draw Farms Metropolitan District No. 2 held on November 10, 2021.

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Secretary or Assistant Secretary

**RESOLUTION NO. 2021-11-\_\_\_\_**

**RESOLUTION TO SET MILL LEVIES**

**RESOLUTION OF THE BEEBE DRAW FARMS METROPOLITAN DISTRICT NO. 2  
LEVYING GENERAL PROPERTY TAXES, PURSUANT TO SECTION 39-1-111,  
C.R.S., FOR THE YEAR 2021, TO HELP DEFRAY THE COSTS OF GOVERNMENT  
FOR THE 2022 BUDGET YEAR**

A. The Board of Directors of the Beebe Draw Farms Metropolitan District No. 2 (the “**District**”) has adopted an annual budget in accordance with the Local Government Budget Law, on November 10, 2021.

B. The adopted budget is attached as Exhibit A to the Resolution of the Board of Directors of the District to Adopt Budget and Appropriate Sums of Money, and such budget is incorporated herein by this reference.

C. The amount of money necessary to balance the budget for general fund expenses from property tax revenue is identified in the budget.

D. The amount of money necessary to balance the budget for debt service expenses from property tax revenue is identified in the budget.

NOW, THEREFORE, PURSUANT TO SECTIONS 39-1-111(5) and 39-5-128(1), C.R.S., BE IT RESOLVED by the Board of Directors of the Beebe Draw Farms Metropolitan District No. 2, Weld County, Colorado, that:

1. For the purpose of meeting all general operating expenses of the District during the 2022 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 purpose of meeting all debt retirement expenses of the District during the 2022 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 for the purpose of meeting all contractual obligation expenses of the District during the 2022 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.

4. That the Secretary is hereby authorized and directed to immediately certify to the Board of County Commissioners of Weld County, Colorado, the mill levies for the District as set forth in the District’s Certification of Mill Levies, attached hereto as **Exhibit 1** 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.



**[SIGNATURE PAGE FOLLOWS]**

**[SIGNATURE PAGE OF RESOLUTION TO SET MILL LEVIES]**

RESOLUTION APPROVED AND ADOPTED on November 10, 2021.

**BEEBE DRAW FARMS  
METROPOLITAN DISTRICT NO. 2**

By: \_\_\_\_\_  
President

Attest:

By: \_\_\_\_\_  
Secretary or Assistant Secretary

**EXHIBIT 1**

Certification of Tax Levies

I, \_\_\_\_\_, hereby certify that I am the duly appointed Secretary or Assistant Secretary of the Beebe Draw Farms Metropolitan District No. 2, and that the foregoing is a true and correct copy of the Certification of Mill Levies for the budget year 2022, duly adopted at a meeting of the Board of Directors of the Beebe Draw Farms Metropolitan District No. 2 held on November 10, 2021.

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Secretary or Assistant Secretary

**RESOLUTION NO. 2021-11-\_\_\_\_**

**RESOLUTION OF THE BOARD OF DIRECTORS OF BEEBE DRAW FARMS  
METROPOLITAN DISTRICT NO. 2 AUTHORIZING ADJUSTMENT OF THE  
DISTRICT MILL LEVY IN ACCORDANCE WITH THE SERVICE PLAN**

A. Beebe Draw Farms Metropolitan District No. 2 (the “**District**”) is a quasi-municipal corporation and political subdivision of the State of Colorado pursuant to Title 32, Colorado Revised Statutes.

B. The District operates pursuant to its Amended and Restated Consolidated Service Plan approved by the Weld County Board of County Commissioners on March 16, 2011 (the “**Service Plan**”), which provides the District with the authority to impose mill levies on taxable property. Such mill levies will be the primary source of revenue for repayment of debt service, public improvements, and operations and maintenance costs of the District.

C. Beebe Draw Farms Metropolitan District No. 1 (“**District No. 1**”) and the District (collectively, the “**Districts**”) established the Beebe Draw Farms Authority (the “**Authority**”) pursuant to Section 29-1-203, C.R.S., which consists of the boundaries of the Districts. The purpose of the Authority is to develop, operate, and maintain the public improvements for the benefit of the Districts, the residents, and the property owners within the Districts. The Authority Establishment Agreement (the “**AEA**”) was entered into by the Districts on April 12, 2011.

D. District No. 1 issued its \$2,000,000 General Obligations Bonds, Series 1998, which were refunded by District No. 1’s \$1,090,000 Tax Free Loan, dated December 20, 2012 (collectively, the “**1998 Bonds**”).

E. The Service Plan authorizes the District to impose a maximum combined mill levy of 50.000 mills (“**Maximum Mill Levy**”), imposed against the property within the District for operations and maintenance and debt service, including the 1998 Bonds.

F. The District and the Authority entered into that certain District No. 2 Capital Pledge Agreement (First Exclusion) dated August 4, 2016 (the “**Capital Pledge Agreement**”), whereby the District pledged to the Authority 50.000 mills less the mill levy necessary for the 1998 Bonds, and less the required operations and maintenance mill levy for the District (the “**Exclusion Mill Levy**”).

G. The Capital Pledge Agreement consisted of two sets of exclusions of property, one for 36 Lots (“**Capital Pledge 2051**”) and one for 45 lots (“**Capital Pledge 2055**”), as provided by that certain Amended Order for Exclusion, *Nunc Pro Tunc* January 26, 2015, recorded in the real property records of Weld County, Colorado, on April 25, 2016, and that certain Amended Order for Exclusion, *Nunc Pro Tunc* August 12, 2016, recorded in the real property records of Weld County, Colorado on April 26, 2017, at Reception No. 429690, respectively.

H. Section 2.1(vv) of the AEA authorizes adjustment of the Maximum Mill Levy and Exclusion Mill Levy in the event that there are legislative changes in the method of calculating

assessed valuation or any constitutionally mandated tax credit, cut or abatement after June 1, 2010 (the “**Baseline Year**”).

I. At the time of the Baseline Year, the residential assessment ratio set by the Colorado General Assembly was 7.96%.

J. In 2017, the Colorado General Assembly (the “**General Assembly**”) passed House Bill 17-1349, which amended Section 39-1-104.2, C.R.S. by setting the ratio of valuation for assessment for real residential property at 7.2% (decreased from 7.96%) for property tax years commencing on and after January 1, 2017, until the next property tax year that the General Assembly determined to adjust the ratio of valuation for assessment for residential real property.

K. In 2019, the General Assembly passed Senate Bill 19-255, further amending Section 39-1-104.2, C.R.S. by setting the ratio of valuation for assessment for real residential property at 7.15% (decreased from 7.2%) for property tax years commencing on or after January 1, 2019, until the next property tax year that the General Assembly determines to adjust the ratio of valuation for assessment for residential real property.

L. In 2020, the voters of the State of Colorado passed Amendment B (“**Amendment B**”), which repealed Article X, Section 3 of the Colorado Constitution such that the ratio of valuation for assessment of real property for 2021 and thereafter, unless further amended by the General Assembly or voters of the State, is 7.15%.

M. In compliance with the Service Plan and AEA, in order to mitigate the effect of the reduction in the ratio of valuation for residential real property as set by the General Assembly for property tax year 2021, the Board of Directors of the District (the “**Board**”) determines it to be in the best interest of the District, its residents, users, property owners, and the public, to adjust the Exclusion Mill Levy so that the actual tax revenues to be received by the District are neither diminished nor enhanced as a result of the change in the ratio of valuation for assessment since the Baseline Year.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Beebe Draw Metropolitan District, Weld County, Colorado:

1. The Board hereby authorizes the adjustment of the Exclusion Mill Levy to reflect that Amendment B set the ratio of valuation for assessment for residential real property to 7.15%, which is a change from the 7.96% ratio of valuation for assessment of residential property as of the Baseline Year.

2. The Service Plan and AEA allow for a total mill levy imposition of 11.133 mills for the Exclusion Mill Levy for both Capital Pledge 2051 and Capital Pledge 2055 (the “**Adjusted Mill Levy**”) so that District revenues shall be neither diminished nor enhanced as a result of the change in the ratio of valuation for assessment to 7.15% pursuant to the authority granted by the Service Plan, the AEA, and the Capital Pledge Agreement.

3. The Adjusted Mill Levy shall be reflected in the District’s Certification of Tax Levies to be submitted to the Weld County Board of Commissioners on or before December 15, 2021, for collection in 2022.

**[SIGNATURE PAGE FOLLOWS]**

**[SIGNATURE PAGE TO RESOLUTION AUTHORIZING ADJUSTMENT OF THE  
DISTRICT MILL LEVY IN ACCORDANCE WITH THE SERVICE PLAN]**

RESOLUTION APPROVED AND ADOPTED ON November \_\_\_\_\_, 2021.

**BEEBE DRAW FARMS METROPOLITAN  
DISTRICT NO. 2**

\_\_\_\_\_  
President

Attest:

\_\_\_\_\_  
Secretary