

BEEBE DRAW FARMS METROPOLITAN DISTRICT NO. 2

8390 E. Crescent Pkwy., Ste. 300
Greenwood Village, Colorado 80111
Tel: 303-779-5710 Fax: 303-779-0348

NOTICE OF SPECIAL MEETING AND AGENDA

<u>Board of Directors:</u>	<u>Office:</u>	<u>Term/Expiration:</u>
Christine Hethcock	President	2022/May 2022
Diane Mead	Treasurer	2023/May 2023
Paul “Joe” Knopinski	Assistant Secretary	2023/May 2023
VACANT		2022/May 2023
VACANT		2022/May 2022

DATE: November 11, 2020

TIME: 6:00 P.M.

PLACE: 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, THESE DISTRICTS’ BOARD MEETINGS WILL BE HELD BY VIDEO/TELEPHONIC MEANS WITHOUT ANY INDIVIDUALS (NEITHER DISTRICT REPRESENTATIVES NOR THE GENERAL PUBLIC) ATTENDING IN PERSON.

[Join Microsoft Teams Meeting](#)

https://teams.microsoft.com/l/meetup-join/19%3ameeting_MDFiMjE0ZTUtMjQ3My00Yzc2LThiMDQtNzdiNTRhMTIxZWl3%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

[+1 720-547-5281](tel:+17205475281) United States, Denver (Toll) Conference ID: 689 032 656#

- I. ADMINISTRATIVE MATTERS
 - A. Present Disclosures and Potential Conflicts of Interest.

 - B. Approve Agenda, confirm location of meeting and posting of meeting notices.

Beebe Draw Farms Metropolitan District No. 2
Agenda – November 11, 2020
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- C. Consider regular meeting dates for 2021 to be scheduled for June ___ and November ____, 2021 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. 2020-11-01; Resolution Establishing Regular Meeting Dates, Time and Location, Establishing District Website, and Designating Location for Posting of 24-Hour Notice (enclosure – 002).
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II. PUBLIC COMMENT

- A. _____

III. 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 so requests; in which event, the item will be removed from the Consent Agenda and considered in the Regular Agenda.

- Review and approve Minutes of the June 30, 2020 Special Meeting (enclosure - 003).
- Review and ratify approval the payment of claims through the periods ending as follows (enclosure - 004):

Fund	Period Ending _Nov 11, 2020
General	\$ 12,421.52
Debt Service	\$ -0-
Total Claims	\$ 12,421.52

- Review and accept the unaudited financial statements through the period ending September 30, 2020 (enclosure – 005).
-

IV. LEGAL MATTERS

- A. Other

V. FINANCIAL MATTERS

A. Consider appointing Simmons & Wheeler P.C. to prepare and file 2020 Audit Exemption application.

B. Conduct Public Hearing to consider Amendment to 2020 Budget and (if necessary) consider adoption of Resolution to Amend the 2020 Budget and Appropriate Expenditures.

C. Conduct Public Hearing on the proposed 2021 Budget and consider adoption of Resolutions to Adopt the 2021 Budget and Appropriate Sums of Money and Set Mill Levies (for General Fund _____, Debt Service Fund _____ and Other Fund(s) _____ for a total mill levy of _____) (enclosures 006a, 006b, 006c, – Resolutions - draft 2021 Budget – enclosure).

D. Review and consider adoption of Resolution No. 2020-11-__, Authorizing the Adjustment of the District Mill Levy in Accordance with the Colorado Constitution, Article X, Section 3 (enclosure - 007).

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 the 2022 Budget.

VI. OTHER MATTERS

A. Discuss §32-1-809, C.R.S. reporting requirements and mode of eligible elector notification (posted on the SDA’s website and the District’s website last year).

VII. ADJOURNMENT **THERE ARE NO FURTHER MEETINGS SCHEDULED IN 2020.**

RESOLUTION NO. 2020-11-___**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, 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 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.

C. 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.

D. 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.

E. Pursuant to Section 32-1-903, C.R.S., all special and regular meetings of the board shall be held at locations which are within the boundaries of the district or which 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 meeting location does not exceed twenty (20) miles from the district boundaries unless such provision is waived.

F. The provisions of Section 32-1-903, C.R.S., may be waived if: (1) the proposed change of location of a meeting of the board appears on the agenda of a regular or special meeting; and (2) a resolution is adopted by the board stating the reason for which a meeting is to be held in a location other than under Section 32-1-903(1), C.R.S., and further stating the date, time and place 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), 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 regular and special meetings pursuant to Section 32-1-903(1), 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 2021 shall be held on July ___ and November ___ at 6:00 p.m., at the offices of Pelican Lake Community Info and Sales Center, 16502 Beebe Draw Farms Pkwy., Platteville, CO in Weld County, Colorado.

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 location of all special and regular meetings of the District Board shall appear on the agenda(s) of said special and regular meetings.

6. That the residents and taxpaying electors of the District shall be given an opportunity to object to the meeting(s) 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.colorado.gov/beebedrawfarms> , and the Notice of Meeting of the District Board shall be posted on the District Website at least 24 hours prior to each regular and special meeting 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 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) Pelican Lake Ranch Community Info and Sales Center Mail Room

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

[SIGNATURE PAGE FOLLOWS]

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

RESOLUTION APPROVED AND ADOPTED on November 11, 2020.

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

By: _____
President

Attest:

Secretary

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF BEEBE DRAW FARMS METROPOLITAN DISTRICT NO. 2 HELD JUNE 30, 2020

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 Tuesday, the 30th day of June, 2020, at 6:00 P.M. Due to the State of Emergency declared by Governor Polis and the threat to health and safety posed by the Coronavirus (COVID-19) pandemic, the meeting was held and properly noticed to be held via Microsoft TEAMS Meeting. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Paul “Joe” Knopinski
Christine Hethcock

Also In Attendance Were:

Lisa A. Johnson; CliftonLarsonAllen LLP
Diane Mead; Board Candidate
Eric Wernsman, Josh Freeman, Todd Sundeen and Bill Caldwell; Beebe Draw Farms Metropolitan District No. 1 Board Members
Bill Flynn; Simmons & Wheeler, P.C.

Members of the Public

Tina Wernsman, Carol Satersmoen & Ed Farrell; Residents

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

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 of Directors and to the Secretary of State.

Ms. Johnson noted that a quorum was present and requested members of the Board to 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. It was noted that disclosure statements for all Directors were filed in accordance with the statute.

RECORD OF PROCEEDINGS

ADMINISTRATIVE MATTERS

Agenda: The Board reviewed the proposed Agenda for the District's special meeting.

Following discussion, upon a motion duly made by Director Hethcock, seconded by Director Knopinski and, upon vote, unanimously carried, the Board approved the Agenda, as presented. Ms. Johnson noted meeting notices were posted as required.

Results of May 5, 2020 Cancelled Election: The Board reviewed the results of the May 5, 2020 cancelled election. Ms. Johnson noted that the May 5, 2020 Regular Director Election was cancelled as allowed by statute, as there were not more nominations received than seats available. Director Knopinski was deemed elected to a 3-year term to May 2, 2023.

Appointment of Eligible Elector, Diane Mead to the Board of Directors: The Board discussed the vacancies on the Board. Following discussion, upon a motion duly made by Director Hethcock, seconded by Director Knopinski, and upon vote, unanimously carried, the Board appointed Ms. Mead to the Board of Directors to fill a vacancy. It was noted that the Oath of Office will be administered as required by statute.

Appointment of Officers: Following discussion, upon a motion made by Director Hethcock, seconded by Director Knopinski, and upon vote, unanimously carried, the Board appointed the following slate of officers:

President: Christine Hethcock
 Treasurer: Diane Mead
 Secretary: Lisa Johnson
 Assistant Secretary: Paul "Joe" Knopinski

Appointment of one Board member to serve on the Authority Board: Following discussion, upon a motion duly made by Director Knopinski, seconded by Director Hethcock, and upon vote, unanimously carried, the Board appointed Director Hethcock to the Beebe Draw Farms Authority Board.

PUBLIC COMMENT

There were no public comments.

CONSENT AGENDA

Consent Agenda: The Board considered the following actions:

RECORD OF PROCEEDINGS

- Approval of Minutes of the November 11, 2019 Regular Meeting.
- Ratify approval of the payment of claims paid through the period ending May 31, 2020 of \$8,828.35
- Approval of payment of claims through period ending June 11, 2020 as follows:

General Fund:	\$ 2,058.83
Debt Service Fund:	\$ <u>-0-</u>
Total:	\$ 2,058.83

- Acceptance of unaudited financial statements through the period ending May 31, 2020

Following discussion, upon motion duly made by Director Hethcock, seconded by Director Knopinski and, upon vote, unanimously carried, the Board approved and/or ratified, as appropriate, the Consent Agenda.

LEGAL MATTERS

There were no legal matters for discussion.

FINANCIAL MATTERS

2019 Application for Exemption from Audit: Following discussion, upon motion duly made by Director Knopinski, seconded by Director Hethcock and, upon vote, unanimously carried, the Board ratified approval of the 2019 Application for Exemption from Audit.

2021 Budget: The Board discussed the 2021 budget and scheduling the 2021 budget hearing. Upon a motion duly made by Director Knopinski, seconded by Director Hethcock, and upon vote, unanimously carried, the Board ratified the appointment of the District Accountant to prepare the 2021 budget, and directed that the 2021 draft budget be the same as the 2020 adopted budget unless a Board member provides input to otherwise adjust those assumptions, and set the date for a public hearing to adopt the 2021 budget for November 11, 2020 at 6:00 p.m., to be held at the Pelican Lake Ranch Community Info and Sales Center, 16502 Beebe Draw Farms Parkway, Platteville, Colorado.

OTHER MATTERS

2020 SDA Virtual Conference:

Ms. Johnson discussed the Special District Association's annual conference with the Board. Following discussion, the Board members indicated that they would inform Ms. Johnson if they are interested in attending the annual conference.

RECORD OF PROCEEDINGS

ADJOURNMENT

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

Respectfully submitted,

By _____
Secretary for the Meeting

Account	PO/Cont	Check #	Invoice	Date	Date Paid	Description	Amount
01-000-06800	0	3005	BBDRAW2	06/30/2020	08/03/2020	June Management	1,069.95
**** TOTAL **** Special District Management							1,069.95
01-000-06750	0	3006	1012C	09/30/2019	08/03/2020	Unpaid Legal 9/19	0.50
01-000-06750	0	3006	1012C	06/06/30/2020	08/03/2020	Unpaid legal 6/19	9.00
01-000-06750	0	3006	1012C	06/20/06/30/2020	08/03/2020	June Legal	1,740.00
01-000-06750	0	3006	1012C	5/20/05/31/2020	08/03/2020	May Legal	170.00
**** TOTAL **** McGeady Becher PC							1,919.50
01-000-06140	0	3007	26705	05/31/2020	08/03/2020	May Accounting	850.00
01-000-06140	0	3007	26722	06/30/2020	08/03/2020	June Accounting	1,028.78
**** TOTAL **** Simmons & Wheeler , P.C.							1,878.78
01-000-06800	0	3008	2550014	07/08/2020	08/03/2020	June Management	1,757.70
**** TOTAL **** CliftonLarsonAllen LLP							1,757.70
01-000-06750	0	3009	1012C	07/07/31/2020	10/28/2020	July Legal	178.02
01-000-06750	0	3009	1012C	08/08/31/2020	10/28/2020	August Legal	390.00
01-000-06750	0	3009	1012C	09/09/30/2020	10/28/2020	September Legal	0.09
**** TOTAL **** McGeady Becher PC							568.11
01-000-06140	0	3010	27071	07/31/2020	10/28/2020	July Accounting	567.81
01-000-06140	0	3010	27121	08/31/2020	10/28/2020	August Accounting	605.00
**** TOTAL **** Simmons & Wheeler , P.C.							1,172.81
01-000-01700	0	3011	POL4796	10/16/2020	10/28/2020	Property & Liability 2021	2,182.00
**** TOTAL **** Colorado Special District Pool							2,182.00
01-000-09150	0	3012	Dir Fee	06/30/2020	10/28/2020	C.H. Fees 6.30.2020	100.00
01-000-02315	0	3012	Dir Fee	06/30/2020	10/28/2020	C.H. payroll tax 6.30	(7.65)
**** TOTAL **** Christine Hethcock							92.35
01-000-09150	0	3013	Dir Fee	06/30/2020	10/28/2020	J.K. Dir fees 6.30.2020	100.00
01-000-02315	0	3013	Dir Fee	06/30/2020	10/28/2020	J.K. taxes 6.30.2020	(7.65)
**** TOTAL **** Paul J Knopinski							92.35
01-000-06800	0	3014	2583679	08/11/2020	10/28/2020	July Management	583.28
01-000-06800	0	3014	2609102	09/08/2020	10/28/2020	August Management	181.13
01-000-06800	0	3014	2638009	10/12/2020	10/28/2020	September Management	269.33
**** TOTAL **** CliftonLarsonAllen LLP							1,033.74
01-000-06480	0	3015	2003827	09/10/2020	10/28/2020	Seal Stamper	48.75
**** TOTAL **** Pepperdines							48.75
01-000-06480	0	3016	6060-01	09/22/2020	10/28/2020	Water - Account 6060-01	110.48
**** TOTAL **** Central Weld County Water District							110.48
01-000-01700	0	3017	9243	10/19/2020	10/28/2020	Agency Fee	495.00
**** TOTAL **** T. Charles Wilson Services							495.00

*** GRAND TOTAL ***

12 12,421.52

Beebe Draw Farms Metropolitan District No. 2

Financial Statements

September 30, 2020

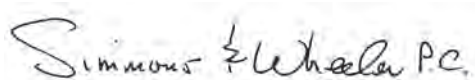
ACCOUNTANT'S COMPILATION REPORT

Board of Directors
Beebe Draw Farms Metropolitan District No. 2

Management is responsible for the accompanying financial statements of each major fund of Beebe Draw Farms Metropolitan District No 2 as of and for the period ended September 30, 2020, which are comprised of the Balance Sheet and the related Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Governmental Funds and account groups for the nine months then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with the Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit the Statement of Net Position, Statement of Activities, Management Discussion and Analysis and all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the District's financial position and results of operations. Accordingly, the financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to Beebe Draw Farms Metropolitan District No. 2 because we performed certain accounting services that impaired our independence.



October 29, 2020
Englewood, Colorado

Beebe Draw Metropolitan District No. 2
 Combined Balance Sheet
 September 30, 2020

See Accountant's Compilation Report

	<u>General Fund</u>	<u>Total All Funds</u>
Assets		
Current assets		
Cash in checking	\$ 30,438	\$ 30,438
Cash in Colotrust	373,818	373,818
Taxes receivable	272,976	272,976
Due from District No. 1	3,817	3,817
Prepaid expenses	<u>-</u>	<u>-</u>
	<u>\$ 681,049</u>	<u>\$ 681,049</u>
Liabilities and Equity		
Current liabilities		
Accounts payable	\$ 3,149	\$ 3,149
Due to County	3,817	3,817
Due to Authority	<u>674,098</u>	<u>674,098</u>
	<u>681,064</u>	<u>681,064</u>
 Bonds Payable	 <u>-</u>	 <u>-</u>
Total liabilities	<u>681,064</u>	<u>681,064</u>
 Fund Equity		
Investment in improvements	-	-
Fund balance (deficit)	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
	<u>\$ 681,064</u>	<u>\$ 681,064</u>

Beebe Draw Metropolitan District No. 2
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Nine Months Ended September 30, 2020
General Fund

See Accountant's Compilation Report

	Annual Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Property taxes	\$ 411,737	\$ 411,738	\$ 1
Property taxes Cap 2051	10,883	10,725	(158)
Property taxes Cap 2055	6,725	6,725	-
Specific ownership taxes	26,000	15,152	(10,848)
Interest income	5,806	2,376	(3,430)
Transfer from District No. 1	-	3,817	3,817
Miscellaneous Income	-	304	304
	<u>461,151</u>	<u>450,837</u>	<u>(10,314)</u>
Expenditures			
Accounting and audit	7,500	6,748	752
Director's Fees	1,200	200	1,000
Payroll Taxes	77	15	62
Election Costs	1,500	1,078	422
Miscellaneous	500	324	176
Treasurer's Fees	6,440	6,454	(14)
Insurance and Bonds	4,300	3,319	981
Legal Services	5,000	5,430	(430)
Management	4,000	5,492	(1,492)
Refund	-	3,817	(3,817)
Transfer to Authority O&M	237,805	208,980	28,825
Transfer to Authority Infrastructure Fund	143,195	158,825	(15,630)
Transfer to Authority Amenities Fund	35,799	50,155	(14,356)
Emergency reserve	13,835	-	13,835
	<u>461,151</u>	<u>450,837</u>	<u>10,314</u>
Excess (deficiency) of revenues over expenditures	-	-	-
Fund balance - beginning	-	-	-
Fund balance - ending	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>

Beebe Draw Farms Metropolitan District No. 2
Proposed Budget
General Fund
For the Year ended December 31, 2021

	Actual <u>2019</u>	Adopted Budget <u>2020</u>	Actual <u>9/30/2020</u>	Estimate <u>2020</u>	Proposed Budget <u>2021</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues:					
Property taxes	509,406	411,737	411,738	411,737	290,961
Property taxes - Capital Pledge 2051	7,843	10,883	10,725	10,883	12,021
Property taxes - Capital Pledge 2055	4,693	6,725	6,725	6,725	8,743
Specific ownership taxes	56,737	26,000	15,152	20,000	15,000
Transfer from District 1	-	-	3,817	3,817	-
Interest income/ Other Income	1,865	5,806	2,680	6,500	2,000
Total revenues	<u>580,544</u>	<u>461,151</u>	<u>450,837</u>	<u>459,662</u>	<u>328,725</u>
Total funds available	<u>580,544</u>	<u>461,151</u>	<u>450,837</u>	<u>459,662</u>	<u>328,725</u>
Expenditures:					
Accounting / audit	12,475	7,500	6,748	7,500	7,500
Insurance and Bonds	4,115	4,300	3,319	3,319	3,500
Election expense	-	1,500	1,078	1,078	-
Legal	5,172	5,000	5,430	7,000	6,000
Management	4,865	4,000	5,492	6,000	5,000
Miscellaneous	226	500	324	500	500
Directors fees	900	1,200	200	1,200	1,200
Refund	-	-	3,817	3,817	-
Payroll Taxes	69	77	15	77	77
Treasurer's fees	7,829	6,440	6,454	6,500	4,676
Transfer to Authority- Infrastructure	211,618	143,195	158,825	137,723	95,927
Transfer to Authority- Amenities	52,904	35,799	50,155	34,431	23,982
Transfer to Authority- General	280,371	237,805	208,980	250,517	179,509
Contingency	-	-	-	-	-
Emergency reserve (3%)	-	13,835	-	-	854
Total expenditures	<u>580,544</u>	<u>461,151</u>	<u>450,837</u>	<u>459,662</u>	<u>328,725</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Assessed valuation		<u>\$ 8,310,860</u>			<u>\$ 5,819,210</u>
Assessed valuation - Capital Pledge 2051 (36 lots)		<u>\$ 977,560</u>			<u>\$ 1,079,700</u>
Assessed valuation - Capital Pledge 2055 (45 lots)		<u>\$ 604,020</u>			<u>\$ 785,280</u>
Mill levy refund		(0.458)			
Mill Levy		<u>50.000</u>			<u>50.000</u>
Mill Levy - capital pledge		<u>11.133</u>			<u>11.133</u>

RESOLUTION NO. 2020-11-02

**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 2021**

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 15, 2020 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 11, 2020, 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 11, 2020.

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

By: _____
President

Attest:

By: _____
Secretary

EXHIBIT A

Budget

I, Lisa A. Johnson, hereby certify that I am the duly appointed 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 2021, duly adopted at a meeting of the Board of Directors of the Beebe Draw Farms Metropolitan District No. 2 held on November 11, 2020.

Secretary

RESOLUTION NO. 2020-11-03**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 2020, TO HELP DEFRAY THE COSTS OF GOVERNMENT
FOR THE 2021 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 11, 2020.

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 fund 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 2021 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 2021 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 2021 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 OF RESOLUTION TO SET MILL LEVIES]

RESOLUTION APPROVED AND ADOPTED on November 11, 2020.

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

By: _____
President

Attest:

By: _____
Secretary

EXHIBIT 1

Certification of Tax Levies

I, Lisa A. Johnson, hereby certify that I am the duly appointed 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 2021, duly adopted at a meeting of the Board of Directors of the Beebe Draw Farms Metropolitan District No. 2 held on November 11, 2020.

Secretary

RESOLUTION NO. 2020-11-_____

**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 COLORADO
CONSTITUTION, ARTICLE X, SECTION 3**

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

B. District No. 2 operates pursuant to its Amended and Restated Consolidated Service Plan approved by the Board of Commissioners of Weld County, Colorado on March 16, 2011 (the “**Service Plan**”), which provides District No. 2 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 District No. 2.

C. Beebe Draw Farms Metropolitan District No. 1 (“**District No. 1**”) and District No. 2 (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 a maximum combined mill levy for District No. 2 of 50.000 mills (“**Maximum Mill Levy**”), imposed against the property of District No. 2 for operations and maintenance and debt service, including the 1998 Bonds.

F. District No. 2 and the Authority entered into that certain District No. 2 Capital Pledge Agreement (First Exclusion) dated August 4, 2016 (the “**Capital Pledge Agreement**”), whereby District No. 2 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 District No. 2 (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. The Service Plan, the AEA, the Capital Pledge Agreement and Article X, Section 3 of the Colorado Constitution, (the “**Gallagher Amendment**”) authorize adjustment of the Maximum Mill Levy and Exclusion Mill Levy in the event that the method of calculating

assessed valuation is changed after June 1, 2010, by any change in law, change in method of calculation, or in the event of any legislation or constitutionally mandated tax credit, cut, or abatement. The Maximum Mill Levy and Exclusion Mill Levy may be increased or decreased to reflect such changes. Such increases or decreases shall be determined by the Board of Directors of District No. 2 (the “**Board**”) in good faith (such determination to be binding and final) so that, to the extent possible, the actual tax revenues generated by the mill levy, as adjusted, are neither diminished nor enhanced as a result of such changes.

I. The Service Plan, the AEA, the Capital Pledge Agreement, and the Gallagher Amendment provide that, for purposes of the foregoing, a change in the ratio of actual valuation to assessed valuation shall be deemed to be a change in the method of calculating assessed valuation.

J. The Colorado General Assembly (the “**General Assembly**”) passed House Bill 17-1349, signed by the Governor of Colorado on June 15, 2017, 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, signed by the Governor of Colorado on June 3, 2019, 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. The Board, authorized by the Service Plan, the AEA, the Capital Pledge Agreement, and the Gallagher Amendment, determined it to be in the best interest of District No. 2, its residents, users, property owners, and the public to adopt Resolution 2019-11-05, which adjusted the Exclusion Mill Levy to mitigate the effect of the 2019 statutory change in the ratio of valuation for assessment from 7.20% to 7.15%, so that actual tax revenues were neither diminished nor enhanced as a result of the change in the ratio of valuation for assessment for residential real property.

M. In order to further mitigate the effect of the 2019 statutory change in the ratio of valuation for assessment for residential real property from 7.20% to 7.15%, so that actual tax revenues are neither diminished nor enhanced as a result of the change in the ratio of valuation for assessment, the Board determines it to be in the best interest of District No. 2, its residents, users, property owners, and the public to further adjust the Exclusion Mill Levy.

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

1. The Board hereby authorizes the adjustment of the Exclusion Mill Levy to reflect the 2019 statutory change in the ratio of valuation for assessment for residential real property to 7.15%.

2. The Gallagher Amendment allows 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, the Capital Pledge Agreement and the Gallagher Amendment.

3. The Adjusted Mill Levy shall be reflected in District No. 2’s Certification of Tax Levies to be submitted to the Weld County Board of Commissioners on or before December 15, 2020, for collection in 2021.

[SIGNATURE PAGE FOLLOWS]

**[SIGNATURE PAGE TO RESOLUTION AUTHORIZING ADJUSTMENT OF THE
DISTRICT MILL LEVY IN ACCORDANCE WITH THE COLORADO
CONSTITUTION, ARTICLE X, SECTION 3]**

RESOLUTION APPROVED AND ADOPTED ON NOVEMBER 10, 2020.

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

President

Attest:

Secretary