

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

The Board of Directors of Westerly Metropolitan District No. 2 (the “**Board**”), Town of Erie, Weld County, Colorado (the “**District**”), held a regular meeting via teleconference on November 10, 2022 at the hour of 10:30 a.m.

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

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NOTICE AS TO PROPOSED 2023 BUDGET

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

NOTICE IS HEREBY GIVEN that the Boards of Directors (collectively the "Boards") of the WESTERLY METROPOLITAN DISTRICT NOS. 1-4 (collectively the "Districts"), will hold a meeting via teleconference on November 10, 2022 at 10:30, for the purpose of conducting such business as may come before the Boards including a public hearing on the 2023 proposed budgets (the "Proposed Budgets"). The necessity may also arise for an amendment to the 2022 budgets (the "Amended Budgets"). This meeting can be joined using the following teleconference information:
<https://us06web.zoom.us/j/87813792771?pwd=WHI4NDNsQTNqSjQaFQdQRVUxMnVZQT09>
Meeting ID: 878 1379 2771; Passcode: 330069; (720) 707-2699

NOTICE IS FURTHER GIVEN that the Proposed Budgets and Amended Budgets (if applicable) have been submitted to the Districts. A copy of the Proposed Budgets and Amended Budgets are on file in the office of CliftonLarsonAllen, LLP, 8390 E Crescent Pkwy #300, Englewood, CO 80111, where the same are open for public inspection. Any interested elector of the Districts may file any objections to the Proposed Budgets and Amended Budgets at any time prior to final adoption of the Proposed Budgets or the Amended Budgets by the Boards. This meeting is open to the public and the agenda for any meeting may be obtained by calling (303) 858-1800.
BY ORDER OF THE BOARD OF DIRECTORS:

WESTERLY METROPOLITAN DISTRICT NOS. 1-4, quasi-municipal corporations and political subdivisions of the State of Colorado
/s/ WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

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Prairie Mountain Media, LLC

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County of Boulder
State of Colorado

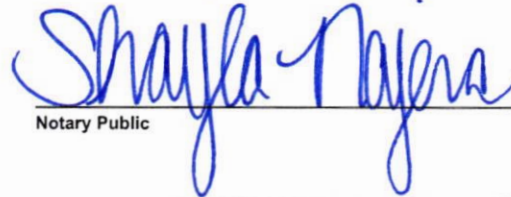
The undersigned, Agent, being first duly sworn under oath, states and affirms as follows:

1. He/she is the legal Advertising Reviewer of Prairie Mountain Media LLC, publisher of the *Colorado Hometown*.
2. The *Colorado Hometown* is a newspaper of general circulation that has been published continuously and without interruption for at least fifty-two weeks in Boulder County and meets the legal requisites for a legal newspaper under Colo. Rev. Stat. 24-70-103.
3. The notice that is attached hereto is a true copy, published in the *Colorado Hometown* in Boulder County on the following date(s):

Nov 9, 2022


Signature

Subscribed and sworn to me before me this
9th day of November 2022.


Notary Public

(SEAL)

SHAYLA NAJERA
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20174031965
MY COMMISSION EXPIRES July 31, 2025

Account: 1051175
Ad Number: 1933548
Fee: \$36.83

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

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

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

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

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

Section 2. Levy for General Operating Expenses. For the purpose of meeting all general operating expenses of the District during the 2023 budget year, there is hereby levied a tax of 10.025 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 3. Levy for Debt Service Obligations. For the purposes of meeting all debt service obligations of the District during the 2023 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 4. Levy for Contractual Obligation Expenses. For the purposes of meeting all contractual obligations of the District during the 2023 budget year, there is hereby levied a tax of

55.140 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 5. Levy for Capital Project Expenses. For the purposes of meeting all capital project obligations of the District during the 2023 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

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

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

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

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

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

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ADOPTED THIS 10TH DAY OF NOVEMBER, 2022.

DISTRICT:

**WESTERLY METROPOLITAN DISTRICT
NO. 2**, a quasi-municipal corporation and political
subdivision of the State of Colorado


By: 
Heidi Majerik (Jan 19, 2023 14:12 MST)
Officer of the District

Attest:

By: 

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law



General Counsel to the District

STATE OF COLORADO
COUNTY OF WELD
WESTERLY METROPOLITAN DISTRICT NO. 2

I hereby certify that the foregoing resolution constitutes a true and correct copy of the record of proceedings of the Board adopted by a majority of the Board at a District meeting held via teleconference on Thursday, November 10, 2022, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 19th day of January, 2023.



EXHIBIT A
BUDGET DOCUMENT
BUDGET MESSAGE

WESTERLY METRO DISTRICT NO. 2
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2023

WESTERLY METROPOLITAN DISTRICT NO. 2
SUMMARY
2023 BUDGET
WITH 2021 ACTUAL & 2022 ESTIMATED
For the Years Ended and Ending December 31,

1/16/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property Taxes	812	1,610	21,699
Specific Ownership Tax	70	62	1,302
Other Revenue	-	-	322
Total revenues	<u>882</u>	<u>1,672</u>	<u>23,323</u>
Total funds available	<u>882</u>	<u>1,672</u>	<u>23,323</u>
EXPENDITURES			
General Fund	124	238	3,680
Debt Service Fund	758	1,434	19,643
Total expenditures	<u>882</u>	<u>1,672</u>	<u>23,323</u>
Total expenditures and transfers out requiring appropriation	<u>882</u>	<u>1,672</u>	<u>23,323</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

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

1/16/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
ASSESSED VALUATION			
Agricultural	11,420	11,670	8,610
State assessed	-	10,940	158,030
Vacant land	-	-	139,300
Oil and Gas	-	-	27,050
	11,420	22,610	332,990
Certified Assessed Value	\$ 11,420	\$ 22,610	\$ 332,990
 MILL LEVY			
General	10.000	10.000	10.025
Debt Service	61.230	61.230	55.140
Total mill levy	71.230	71.230	65.165
 PROPERTY TAXES			
General	\$ 114	\$ 226	\$ 3,338
Debt Service	699	1,384	18,361
Levied property taxes	813	1,610	21,699
Budgeted property taxes	\$ 813	\$ 1,610	\$ 21,699
 BUDGETED PROPERTY TAXES			
General	\$ 114	\$ 226	\$ 3,338
Debt Service	699	1,384	18,361
	\$ 813	\$ 1,610	\$ 21,699

No assurance provided. See summary of significant assumptions.

**WESTERLY METROPOLITAN DISTRICT NO. 2
GENERAL FUND
2023 BUDGET
WITH 2021 ACTUAL & 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/16/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property Taxes	114	226	3,338
Specific Ownership	10	12	200
Other Revenue	-	-	142
Total revenues	124	238	3,680
Total funds available	124	238	3,680
EXPENDITURES			
General and administrative			
Transfer to WMD No. 1	124	231	3,488
County Treasurers Fees	-	7	50
Contingency	-	-	142
Total expenditures	124	238	3,680
Total expenditures and transfers out requiring appropriation	124	238	3,680
ENDING FUND BALANCES	\$ -	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

**WESTERLY METROPOLITAN DISTRICT NO. 2
DEBT SERVICE FUND
2023 BUDGET
WITH 2021 ACTUAL & 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/16/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property Taxes	698	1,384	18,361
Specific Ownership	60	50	1,102
Other Revenue	-	-	180
Total revenues	<u>758</u>	<u>1,434</u>	<u>19,643</u>
Total funds available	<u>758</u>	<u>1,434</u>	<u>19,643</u>
EXPENDITURES			
General and administrative			
Transfer to WMD No. 4	758	1,404	19,188
County treasurer's fee	-	30	275
Contingency	-	-	180
Total expenditures	<u>758</u>	<u>1,434</u>	<u>19,643</u>
Total expenditures and transfers out requiring appropriation	<u>758</u>	<u>1,434</u>	<u>19,643</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**WESTERLY METRO DISTRICT NO. 2
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

SERVICES PROVIDED

The District, a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by order and decree of the Weld County District Court on June 24, 2020, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under a Service Plan approved by the Town of Erie.

The District was established to provide financing for the design, acquisition, installation, construction and completion of public improvements and services, including water, sanitation, street, safety protection, park and recreation, transportation, television relay and translation and mosquito control improvements and services.

Westerly Metro Districts Nos. 1-4 are expected to work together to provide for the acquisition, construction, and financing of the public improvements for the Development where District No. 1 acts as the operating district and provides for the construction or acquisition of the infrastructure, District No. 4 issues the debt and Districts No. 2 and 3 act as financing districts that levy taxes and support Districts 1 and 4.

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

REVENUES

Property Taxes

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

The District's maximum Required Mill Levy is 55.000 mills, adjusted for changes in the ratio of actual value to assessed value of property within the District. Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in a amount sufficient to pay the principal, premium if any, and interest on the Bonds as the same become due and payable [and to make up any deficiencies in the Reserve Fund]. As of December 31, 2022, the adjusted maximum mill levy for debt service is 55.000 mills.

The calculation of the taxes levied is displayed on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

**WESTERLY METRO DISTRICT NO. 2
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

REVENUES (CONTINUED)

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 6% of the property taxes collected.

EXPENDITURES

Administrative and Operating Expenditures

Administrative and operating expenditures are captured in the WMD No. 1 budget.

County Treasurer's Fees

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

Capital Outlay

The District anticipates infrastructure improvements as noted in the Capital Projects fund.

Emergency Reserve

The District has provided for an emergency reserve fund equal to at least 3% of fiscal year spending as defined under TABOR

This information is an integral part of the accompanying budget.