

RESOLUTION NO. 2021-12-02

RESOLUTION TO ADOPT BUDGET AND APPROPRIATE SUMS OF MONEY

**RESOLUTION OF THE BOARD OF DIRECTORS OF
RRC METROPOLITAN DISTRICT NO. 2, JEFFERSON 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 the RRC 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 13, 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 December 6, 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 THE RRC METROPOLITAN DISTRICT NO. 2, JEFFERSON 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 December 6, 2021.

RRC METROPOLITAN DISTRICT NO. 2

By: *John Cheney*
President

Attest:

By: *Jennifer Thornbloom*
Secretary

EXHIBIT A

Budget

RRC METROPOLITAN DISTRICT NO. 2
2022
BUDGET MESSAGE

Attached please find a copy of the adopted 2022 budget for the RRC Metropolitan District No. 2.

The RRC Metropolitan District No. 2 has adopted budgets for three funds, a General Fund to provide for general operating expenditures; a Debt Service Fund to provide for payments on the outstanding general obligation bonds; and a Capital Projects Fund to provide for capital improvements to be built for the benefit of the district.

The district's accountants have utilized the modified accrual basis of accounting and the budget has been adopted after proper postings, publications and public hearing.

The primary source of revenue for the district in 2022 will be property taxes and developer advances. The district intends to impose a 58.664 mill levy on property within the district for 2022, of which 3.000 mills are dedicated to the General Fund and the balance of 58.664 mills will be allocated to the Debt Service Fund.

RRC Metropolitan District No. 2
Adopted Budget
General Fund
For the Year ended December 31, 2022

	Actual <u>2020</u>	Adopted Budget <u>2021</u>	Actual <u>7/31/2021</u>	Estimated <u>2021</u>	Adopted Budget <u>2022</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues:					
Property taxes	2	3	-	-	709
Specific ownership taxes	-	-	-	-	57
Developer advances	<u>3,388</u>	<u>10,000</u>	<u>3,201</u>	<u>3,300</u>	<u>9,245</u>
Total revenues	<u>3,390</u>	<u>10,003</u>	<u>3,201</u>	<u>3,300</u>	<u>10,011</u>
Total funds available	<u>3,390</u>	<u>10,003</u>	<u>3,201</u>	<u>3,300</u>	<u>10,011</u>
Expenditures:					
Insurance/SDA dues	3,390	3,500	3,201	3,300	3,500
Treasurer fees	-	-	-	-	11
Contingency	-	5,003	-	-	5,000
Emergency reserve (3%)	<u>-</u>	<u>1,500</u>	<u>-</u>	<u>-</u>	<u>1,500</u>
Total expenditures	<u>3,390</u>	<u>10,003</u>	<u>3,201</u>	<u>3,300</u>	<u>10,011</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Assessed valuation		<u>\$ 50</u>			<u>\$ 236,449</u>
Mill Levy		<u>61.230</u>			<u>3.000</u>

RRC Metropolitan District No. 2
Adopted Budget
Capital Projects Fund
For the Year ended December 31, 2022

	Actual <u>2020</u>	Adopted Budget <u>2021</u>	Actual <u>7/31/2021</u>	Estimated <u>2021</u>	Adopted Budget <u>2022</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ 42,000,000
Revenues:					
Bond issue	-	-	-	45,000,000	-
Developer advances	-	12,000,000	-	-	-
Total revenues	-	12,000,000	-	45,000,000	-
Total funds available	-	12,000,000	-	45,000,000	42,000,000
Expenditures:					
Bond issuance costs	-	-	-	1,200,000	-
Capital expenditures	-	12,000,000	-	1,800,000	42,000,000
Total expenditures	-	12,000,000	-	3,000,000	42,000,000
Ending fund balance	\$ -	\$ -	\$ -	\$ 42,000,000	\$ -

RRC Metropolitan District No. 2
Adopted Budget
Debt Service Fund
For the Year ended December 31, 2022

	Actual <u>2020</u>	Adopted Budget <u>2021</u>	Actual <u>7/31/2021</u>	Estimated <u>2021</u>	Adopted Budget <u>2022</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues:					
Property taxes	-	-	-	-	13,162
Specific ownership taxes	-	-	-	-	1,053
Interest income	-	-	-	-	-
Total revenues	-	-	-	-	14,215
Total funds available	-	-	-	-	14,215
Expenditures:					
Bond interest expense	-	-	-	-	14,018
Bond principal	-	-	-	-	-
Treasurer's fees	-	-	-	-	197
Transfer to District No. 1	-	-	-	-	-
Trustee / paying agent fees	-	-	-	-	-
Total expenditures	-	-	-	-	14,215
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Assessed valuation		<u>\$ 50</u>			<u>\$ 236,449</u>
Mill Levy		<u>-</u>			<u>55.664</u>
Total Mill Levy		<u>61.230</u>			<u>58.664</u>

I, Jennifer Thornbloom, hereby certify that I am the duly appointed Secretary of the RRC 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 RRC Metropolitan District No. 2 held on December 6, 2021.

Jennifer Thornbloom

Secretary