

RESOLUTION

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR TO HELP DEFRAY THE COSTS OF THE GOVERNMENT, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE FRANKTOWN BUSINESS AREA METROPOLITAN DISTRICT, DOUGLAS COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2021 AND ENDING ON THE LAST DAY OF DECEMBER, 2021.

WHEREAS, the Board of Directors (the "Board") of the Franktown Business Area Metropolitan District (the "District") has authorized its consultants to prepare and submit a proposed budget to said governing body no later than October 15, 2020; and

WHEREAS, the proposed 2021 budget has been submitted to the Board for its consideration; and

WHEREAS, upon due and proper notice, posted in accordance with Colorado law and published on November 5, 2020 in The Douglas County News Press, said proposed budget was open for inspection by the public at a designated place, a public hearing was held at 10:00 a.m. on November 12, 2020, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, the budget being adopted by the Board has been prepared based on the best information available to the Board regarding the effects of Article X, Section 20 of the Colorado Constitution; and

WHEREAS, 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.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE FRANKTOWN BUSINESS AREA METROPOLITAN DISTRICT, DOUGLAS COUNTY, COLORADO, AS FOLLOWS:

Section 1. Summary of 2021 Revenues and 2021 Expenditures. That the estimated revenues and expenditures for each fund for fiscal year 2021, as more specifically set forth in the budget attached hereto, are accepted and approved.

Section 2. Adoption of Budget. That the budget as submitted, or as amended, and attached hereto and incorporated herein is approved and adopted as the budget of the District for fiscal year 2021.

Section 3. 2021 Levy of General Property Taxes. That the foregoing budget indicates that the amount of money from property tax revenue necessary to balance the budget for the General Fund for operating expenses is \$ 33,409 , and that the 2020 valuation for assessment, as certified by the Douglas County Assessor, is \$ 3,340,920 . That for the purposes of meeting all general operating expenses of the District during the 2021 budget year, there is hereby levied a tax of 10.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District during the year 2020.

Section 5. Certification to Board of County Commissioners. That the attorney, accountant or manager for the District is hereby authorized and directed to certify to the Douglas County Board of County Commissioners, no later than December 15, 2020, the mill levies for the District hereinabove determined and set. That said certification shall be substantially in the same form as attached hereto and incorporated herein by this reference.

Section 6. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

Section 7. Budget Certification. That the budget shall be certified by the Secretary/Treasurer of the District, and made a part of the public records of the District.

The foregoing Resolution was seconded by Director R. Berget .

RESOLUTION APPROVED AND ADOPTED ON NOVEMBER 11, 2020.

FRANKTOWN BUSINESS AREA METROPOLITAN DISTRICT

By: Russell D Berget
President

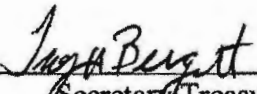
ATTEST:

Imy A Berget
Secretary

STATE OF COLORADO
COUNTY OF DOUGLAS
FRANKTOWN BUSINESS AREA METROPOLITAN DISTRICT

I, Troy Berget, hereby certify that I am a director and the duly elected and qualified Secretary/Treasurer of Franktown Business Area Metropolitan District (the "District"), and that the foregoing constitutes a true and correct copy of the record of proceedings of the Board of Directors of said District adopted at a meeting of the Board of Directors of the District held at 10:00 a.m. on November 12, 2020, via a virtual meeting, as recorded in the official record of the proceedings of the District, insofar as said proceedings relate to the budget hearing for fiscal year 2021; that said proceedings were duly had and taken; that the meeting was duly held; and that the persons were present at the meeting as therein shown.

Subscribed and sworn to this 12th day of November, 2020.



Secretary/Treasurer

EXHIBIT A
2021 BUDGET DOCUMENT & BUDGET MESSAGE FOR
FRANKTOWN BUSINESS AREA METROPOLITAN DISTRICT

**FRANKTOWN BUSINESS AREA METROPOLITAN DISTRICT
GENERAL FUND
2021 ADOPTED BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED AMOUNTS**

	2019 Audit	2020 Estimated	2021 Adopted
REVENUES			
Property taxes	\$ 31,562	\$ 33,784	\$ 33,409
Specific ownership taxes	3,174	2,904	2,339
Interest	2,112	800	1,000
Total revenues	<u>36,848</u>	<u>37,488</u>	<u>36,748</u>
EXPENDITURES			
Audit exemption	-	851	1,000
County treasurer fees	475	507	501
District management and accounting	11,550	13,000	20,000
Dues and memberships	353	500	500
Election	-	552	1,000
Engineering and planning	407	500	500
Insurance	2,890	2,888	3,000
Legal	1,251	2,000	2,000
Management services	12,992	10,000	-
Miscellaneous	202	500	500
Contingency	-	-	100,193
Emergency reserve	-	-	1,103
Total expenditures	<u>30,120</u>	<u>31,298</u>	<u>130,297</u>
NET CHANGE IN FUND BALANCE	6,728	6,190	(93,549)
BEGINNING FUND BALANCE	80,631	87,359	93,549
ENDING FUND BALANCE	<u>\$ 87,359</u>	<u>\$ 93,549</u>	<u>\$ -</u>

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of DOUGLAS COUNTY, Colorado.

On behalf of the FRANKTOWN BUSINESS AREA METROPOLITAN DISTRICT,
(taxing entity)^A

the BOARD OF DIRECTORS,
(governing body)^B

of the FRANKTOWN BUSINESS AREA METROPOLITAN DISTRICT,
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 3,340,920 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57) USE VALUE FROM FINAL CERTIFICATIN OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/10/2020 for budget/fiscal year 2021.
(not later than Dec. 15) (dd/mm/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	25.000 mills	\$ 83,523
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< 15.000 > mills	\$ < 50,114 >
SUBTOTAL FOR GENERAL OPERATING:	10.000 mills	\$ 33,409
3. General Obligation Bonds and Interest ^J	mills	\$
4. Contractual Obligations ^K	mills	\$
5. Capital Expenditures ^L	mills	\$
6. Refunds/Abatements ^M	mills	\$
7. Other ^N (specify):	mills	\$
	mills	\$
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	10.000 mills	\$ 33,409

Contact person: (print) Sue Blair, CRS of Colorado, LLC Daytime phone: 303-381-4977
Signed: *Sue Blair* Title: District Manager

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

¹ If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's final certification of valuation).

FRANKTOWN BUSINESS AREA METROPOLITAN DISTRICT

2021 BUDGET

SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

Franktown Business Area Metropolitan District is a quasi-municipal corporation that is governed pursuant to provisions of the Colorado Special District Act. The District's service area is located in eastern Douglas County, Colorado. The District was established to acquire, construct and/or operate and maintain a complete local sanitary sewer collection and transmission system, potable and/or non-potable local water system, traffic and safety controls, street improvements, public transportation, television relay and translation system, parks and recreational facilities and to provide for the elimination of mosquitoes.

The operations of the District relate to the financing of a sewer transmission system and the negotiation of an Intergovernmental Agreement with Denver Southeast Suburban Water and Sanitation District for sewer processing services. The District uses the modified accrual basis of accounting.

Revenue

The District sets a mill levy for property taxes to fund a portion of its operations. The calculation of the taxes levied is noted in the budget and reflects an adopted mill levy of 25.000 mills, minus a temporary rate reduction of 15.000 mills for a net 10.000 mills yielding \$_____ in property taxes to be collected in 2021.

Specific ownership tax revenue is based on a sharing of the collection of vehicle ownership taxes pooled by the County. The 2021 projected amount is calculated as a percentage of property taxes. Interest earned on the District's available funds has been estimated based on an average interest rate of less than 1.0%.

Expenditures

Administrative and operating expenditures include the services necessary to maintain the District's administrative viability such as insurance, management, legal, accounting and engineering costs. County Treasurer's fees have been computed at 1.5% of the property taxes.

Reserves

The District has provided for an emergency reserve equal to at least 3.0% of fiscal year spending for 2021 defined under the TABOR amendment.

Debt and Leases

The District has no outstanding indebtedness, nor any operating or capital leases.

as the current and prior years.

Operations Fund: Water and sewer operations are contained within this fund. Revenues and expenditures are based upon a similar level of service as the current and prior years.

Capital Improvements Fund: Certain capital improvement and replacement projects are planned for 2021. The District has a loan with the Colorado Water and Power Development Authority. The 2021 principal payment is \$122,424 and the interest amount due is \$8,562.

Emergency Reserve: The District has provided for an Emergency Reserve in the amount of 3% of the total expenditures in the General Fund in accordance with the TABOR Amendment.

Leases: The District has no leases.