

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 2 HELD NOVEMBER 6, 2015

A regular meeting of the Board of Directors of the Crowfoot Valley Ranch Metropolitan District No. 2 (referred to hereafter as "Board") was convened on Friday, the 6th day of November, 2015, at 10:00 a.m., at the offices of Consolidated Investment Group, 18 Inverness Place, Englewood, Colorado 80112. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

John Waggoner
Becky Medina
Erik Clore

Following discussion, upon motion duly made by Director Clore, seconded by Director Waggoner and, upon vote, unanimously carried, the absence of Tim Bertoch was excused.

Also In Attendance Were:

Ann E. Finn; Special District Management Services, Inc.

Jason Carroll; CliftonLarsonAllen, LLP

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. Finn 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. . It was noted that Directors Bertoch and Medina are employees of the developer of the project and it was also noted that Directors Waggoner and Clore have a contractual relationship with the developer to develop the project.

RECORD OF PROCEEDINGS

ADMINISTRATIVE MATTERS

Agenda: Ms. Finn distributed for the Board's review and approval a proposed Agenda for the District's regular meeting.

Following discussion, upon motion duly made by Director Clore, seconded by Director Waggoner and, upon vote, unanimously carried, the Agenda was approved, as amended.

Approval of Meeting Location: The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting.

Following discussion, and upon motion duly made by Director Clore, seconded by Director Waggoner and, upon vote, unanimously carried, the Board determined that because there was not a suitable or convenient location within its boundaries to conduct this meeting, it was determined to conduct the meeting at the above-stated location. The Board further noted that notice of this location was duly posted and that they have not received any objections to the location or any requests that the meeting place be changed by taxpaying electors within its boundaries.

Minutes: The Board reviewed the Minutes of the November 12, 2014 special meeting.

Following discussion, upon motion duly made by Director Medina seconded by Director Clore and, upon vote, unanimously carried, the Minutes of the November 12, 2014 special meeting were approved.

Resolution Concerning 2016 Annual Administration Matter: Attorney Dalton discussed with the Board the Resolution Concerning 2016 Annual Administrative Matters.

Following discussion, upon motion duly made by Director Medina, seconded by Director Clore and, upon vote, unanimously carried, the Board approved Resolution Concerning 2016 Annual Administrative Matters. A copy of the adopted Resolution is attached to these Minutes and incorporated herein by this reference.

FINANCIAL MATTERS

2014 Application for Exemption from Audit: Mr. Carroll discussed with the Board the 2014 Application for Exemption from Audit.

Following review and discussion, upon motion duly made by Director Waggoner, seconded by Director Medina and, upon vote, unanimously carried, the Board

RECORD OF PROCEEDINGS

ratified approval of execution and filing of the Application for Exemption from Audit for 2014.

Preparation of 2015 Application for Exemption from Audit: The Board discussed the requirements for an audit.

Following discussion, upon motion duly made by Director Waggoner, seconded by Director Medina and, upon vote, unanimously carried, the Board appointed the District Accountant to prepare and file the 2015 Application for Exemption from Audit with the State Auditor by the statutory deadline.

Professional Services Agreement for Accounting Services: Mr. Carroll reviewed with the Board the Professional Services Agreement with CliftonLarsonAllen, LLP to provide accounting services for 2016.

Following discussion, upon motion duly made by Director Medina, seconded by Director Clore and, upon vote, unanimously carried, the Board approved the Professional Services Agreement with CliftonLarsonAllen, LLP to provide accounting services for the District for 2016, subject to final review by Counsel.

2015 Budget Amendment Hearing: The President opened the public hearing to consider the Resolution to Amend the 2015 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of a Resolution to Amend the 2015 Budget and the date, time, and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this public hearing.

There were no comments from the public in attendance and the public hearing was closed.

Following review and discussion, Director Medina moved to adopt the Resolution to Amend the 2015 Budget, Director Clore seconded the motion and, upon vote, unanimously carried, the Board adopted Resolution to Amend the 2015 Budget. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

2016 Budget: The President opened the public hearing to consider the proposed 2016 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of the Budget and the date, time and place of the public hearing was made

RECORD OF PROCEEDINGS

in a newspaper having general circulation within the District. No written objections were received prior to this public hearing.

No public comments were received and the public hearing was closed.

Mr. Carroll reviewed the estimated 2015 expenditures and proposed 2016 expenditures.

Following discussion, the Board considered the adoption of Resolution No. 2015-11-03 to Adopt the 2016 Budget and Appropriate Sums of Money and Set Mill Levies (for the General Fund at 70.000 mills, the Debt Service Fund at 0.000 mills and Other Funds at 6.750 mills, for a total mill levy of 76.750 mills). Upon motion duly made by Director Waggoner seconded by Director Clore and, upon vote, unanimously carried, the Resolutions were adopted, as discussed, and execution of the Certification of Budget and Certification of Mill Levies was authorized, subject to receipt of final Certification of Assessed Valuation from the County on or before December 10, 2015. Ms. Finn was authorized to transmit the Certification of Mill Levies to the Board of County Commissioners of Douglas County and the Division of Local Government, not later than December 15, 2015. Ms. Finn was also authorized to transmit the Certification of Budget to the Division of Local Government not later than January 30, 2016. Copies of the adopted Resolutions are attached to these minutes and incorporated herein by this reference.

DLG-70 Mill Levy Certification: Mr. Carroll discussed with the Board the DLG-70 Mill Levy Certification form.

Following discussion, upon motion duly made by Director Waggoner, seconded by Director Clore and, upon vote, unanimously carried, the Board authorized 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.

2017 Budget: The Board discussed preparation of the 2017 Budget.

Following discussion, upon motion duly made by Director Waggoner, seconded by Director Clore and, upon vote, unanimously carried, the Board appointed the District Accountant to prepare the 2017 Budget and to hold the public hearing to consider adoption of the 2017 Budget on Friday, November 4, 2016 at 10:00 a.m. at the regular meeting location.

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE CROWFOOT VALLEY RANCH
METROPOLITAN DISTRICT NOS. 1 AND 2
CONCERNING ANNUAL ADMINISTRATIVE MATTERS
2016**

WHEREAS, the Board of Directors of the Crowfoot Valley Ranch Metropolitan District Nos. 1 and 2 (the "District") is to perform certain tasks on a recurring basis in the operation of the District;

NOW, THEREFORE, BE IT RESOLVED by the Crowfoot Valley Ranch Metropolitan District Nos. 1 and 2 within Douglas County, Colorado, as follows:

1. Contact Person. The Board directs the District Manager to notify the Board of County Commissioners, the County Assessor, the County Treasurer, the County Clerk and Recorder, the governing body of the municipality in which the District is located, if applicable, and the Division of Local Government of the name of the Chairman of the Board, the contact person located within the District, if available, telephone number and business address of the District on or before January 15, as required by Section 32-1-104(2), C.R.S. The Board hereby names the District Manager as the contact person within the District. The contact person is authorized, under C.R.S. 24-10-109(3)(b) to accept notices of claims against the District and, if any such claim is received must promptly notify the President of the Board and the attorney for the District of such receipt.

2. Map. The Board directs the District Manager to prepare an accurate map as specified by the Division of Local Government for filing with the Division, the County Assessor, and the County Clerk and Recorder on or before January 1, as required by Section 32-1-306, C.R.S.

3. Budget. The Board directs its Accountant and District Manager to submit a proposed budget to the Board by October 15; to schedule a public hearing on the proposed budget; to prepare a final budget, budget resolution and budget message, the certification of mill levies, and any budget amendment(s) needed; to certify the mill levies on or before December 15; and to file the approved budget and amendment(s) with the proper governmental entities in accordance with the Local Government Budget Law of Colorado, Sections 29-1-101 to 29-1-115, C.R.S. If no mill levy is to be certified, such actions may be completed by December 31.

4. Intergovernmental Agreements. If the District receives a written request from the Division of Local Government, the Board directs the District Manager to prepare and file within thirty days of such request, an informational listing of all contracts in effect with other political subdivisions, in compliance with Section 29-1-205, C.R.S.

5. Notice to Electors (Transparency Notice). The Board directs that no more than sixty days prior to and not later than January 15, the District Manager will prepare and distribute the Notice to Electors pursuant to and in a matter prescribed by Section 32-1-809,

C.R.S. The Board further directs that the Notice will be filed with the Division of Local Government and the County Clerk and Recorder and a copy made available for public inspection at the District's business office.

6. Annual Securities Report. If required, the Board directs the District's Accountant to prepare and file the annual public securities report for nonrated public securities issued by the District (if any), with the Department of Local Affairs on or before March 1, in accordance with Section 11-58-101 to 11-58-107, C.R.S.

7. Audit/Audit Exemption. The Board directs that an audit of the financial statements be prepared and submitted to the Board before June 30 and further directs that the Audit be filed with the State Auditor by July 31, as required by Section 29-1-603, C.R.S. In the event that the timetable will not be met, the auditor and/or Accountant are directed to request extensions of time to file the audit as needed. If neither the revenues nor the expenditures for the past year exceed \$100,000 then the Board directs that a short form application for exemption from audit shall be prepared. If either revenues or expenditures are greater than \$100,000 but are less than or equal to \$750,000, then the Board directs that a long form application for exemption from audit shall be prepared. The short form or long form application shall be submitted to the Board and then filed with the State Auditor by March 31, as required by Section 29-1-604, C.R.S.

8. Unclaimed Property. The Board directs the District Manager and/or Accountant to prepare the Unclaimed Property Act report and forward it to the State Treasurer by November 1 if there is District property presumed abandoned and subject to custody as unclaimed property, in accordance with Section 38-13-110, C.R.S.

9. Public Records. The Board designates the Board Secretary as the official custodian of public records as such term is used in Section 24-72-202, C.R.S., with the functions thereof hereby delegated to the District Manager as the custodian as defined in 24-72-202(1), C.R.S. The custodian is authorized to develop such procedures as may be reasonably required for the protection and retention of such records. On behalf of the District, the custodian may charge the maximum fees allowed by law for copies, research and retrieval, development of privilege log, and such other services as are authorized by law.

10. CORA Policy. Pursuant to Section 24-72-205, C.R.S., the Board has adopted a policy concerning research and retrieval fees for public records. The Board directs the District Manager to update the District's Notice to Electors (Transparency Notice) with the District's CORA policy information as required by the statute.

11. E-mail Policy. Pursuant to Section 24-72-204.5, C.R.S., the Board hereby adopts a written policy that District management may monitor electronic mail communications at any time, with or without cause, and further states that correspondence of any employee in the form of electronic mail may be a public record under the public records law and may be subject to public inspection under C.R.S. Section 24-72-203.

12. Fair Campaign Practices Act – Gifts and Honoraria. The Board is reminded that in accordance with the Fair Campaign Practices Act, each Board member is required to report to, and in a manner prescribed by, the Secretary of State certain items received in connection with their service, such report to be filed on or before January 15 of the year following receipt of the items, as required by Sections 1-45-109 and 24-6-203, C.R.S. No report needs to be filed unless a director receives \$25 or more in cash or loans, or real or personal property having a value of \$50 or more. Further, the Board is reminded that in accordance with C.R.S. Section 24-6-203, if a Board member receives annual compensation from the District of more than \$1,600, then the Board member is required to file a quarterly report in the prescribed manner with the Secretary of State.

13. Newspaper. The Board designates Douglas County News-Press as the newspaper of general circulation within the boundaries of the District, or in the vicinity of the District if none is circulated within the District, and directs that all legal notices shall be published in the afore named newspaper, in accordance with Section 32-1-103(15), C.R.S. If publication in such newspaper is impossible or impracticable, then any legal newspaper published in the county may be used as an alternative.

14. Director Compensation/FICA. The Board of Directors of the District determines that each director shall receive compensation for services as directors, at the maximum rate allowed by law, in accordance with 32-1-902(3)(a)(I) & (II), C.R.S. The Board recognizes that the Internal Revenue Service has determined that directors of special districts are considered employees of the district and as such will pay federal employment taxes on the compensation they receive for services performed as a director. The Board, therefore, directs the District's accountant to withhold federal employment taxes from the amount that the directors receive in compensation and to furnish each director with an annual IRS W-2 form.

OR

14. Director Compensation. The Board of Directors of the District determines that each director shall not receive compensation for services as directors.

15. Director Qualification. Pursuant to Section 32-1-901 C.R.S., the District determines that each present and future member of the Board shall have in the District files, with annual confirmation thereof by the District's custodian of public records, a complete and executed Certificate of Appointment (if Board member is appointed), current Oath of Office and applicable Surety Bond, and that copies of each be submitted to the Division of Local Government and the District Court as necessary and as may be requested.

16. Officers. The District has elected, in accordance with Section 32-1-902, C.R.S., the following officers for the District:

President:	John R. Waggoner
Treasurer:	Becky N. Medina
Asst. Secretary:	Tim W. Bertoch

Asst. Secretary: Erik Clore
Asst. Secretary: Vacant

Unless the District acts to elect new officers, or an officer resigns his office, such officers shall serve indefinitely.

17. Director Indemnification. The Board of Directors of the District extends the current indemnification resolution to allow the resolution to continue in effect as written. In the event an indemnification resolution is not in effect, then the approval of this administrative matters resolution shall be deemed to authorize indemnification of the Directors of the District when acting in good faith within the scope of their duties and in the best interests of the District, to the fullest extent allowed by law.

18. Designated Posting Location. The Board of Directors of the District designates the following location as the designated posting place for the posting of meeting notices and the posting location for meeting agendas, if available, in accordance with Section 24-6-402(2)(c), C.R.S.: The Green Castle Gate entrance at 4688 Crowfoot Valley Ranch Road.

19. Meetings. The Board determines to hold regular meetings on November 4, 2016 at 9:30 a.m. The location of the meetings will be at the offices of Consolidated Investment Group, 18 Inverness Place East, Englewood, Colorado. In addition, regular and special meeting notices shall be posted at: the designated posting location as identified above; at least two other public places; and at the Clerk and Recorder's office, all in accordance with Section 32-1-903, C.R.S. The Board directs the District Manager to prepare notices for posting at three public locations within the boundaries of the District, one of which is the designated posting location, and at the Clerk and Recorder's office. Legal Counsel shall revise the notices when the Board intends to make a final determination to issue or refund general obligation indebtedness, to consolidate the District, to dissolve the District, to file a plan for adjustment of debt under federal bankruptcy law, or to enter into a private contract with a director, or not to make a scheduled bond payment.

20. Elections. Leslie Larsen of Spencer Fane LLP is hereby appointed as the "Designated Election Official" of the Board for any elections to be held by the District. In accordance with C.R.S. Section 1-1-111(2), 13.5 of Title 1, C.R.S., or applicable law, the Board hereby grants all powers and authority for the proper conduct of the election to the Designated Election Official and that the election shall be held and conducted in accordance with the Local Government Election Code, applicable portions of the Uniform Election Code of 1992, as amended and supplemented by Const. Colo. Art. X, Sec 20, the Current Rules and Regulations Governing Election Procedures of the Secretary of State of the state of Colorado, and Title 32, Article 1, Part 8, Colorado Revised Statutes, and other relevant Colorado and federal law. Further, the Board directs the Designated Election Official to notify the Division of Local Government of the results of any election held by the District, including business address, telephone number and the contact person; and to certify the results of any election to incur general obligation indebtedness to the Board of County Commissioners or the governing

body of a municipality, in accordance with Sections 1-11-103, 32-1-104(1), and 32-1-1101.5, C.R.S.

21. Independent Mail Ballot Elections. The Board deems it expedient for the convenience of the electors that all regular and special elections of the District shall be conducted as an independent mail ballot election in accordance with Section 1-13.5-1101, C.R.S., unless a polling place election is deemed necessary and expressed in a separate election resolution.

22. Notice of Indebtedness. In accordance with C.R.S. Sections 32-1-1604 and 1101.5(1), the Board directs the Accountant and/or District Manager to issue notice of indebtedness to the Board of County Commissioners and to record such notice with the County Clerk and Recorder within 30 days of incurring or authorizing of any indebtedness.

23. Quinquennial Findings. If requested, the Board directs the Accountant and/or the District Manager to prepare and file with the Board of County Commissioners, the quinquennial finding of reasonable diligence, in accordance with Section 32-1-1101.5(1.5)&(2), C.R.S.

24. Annual Report. If requested or required, the Board directs the District Manager to prepare and file the special district annual report, in accordance with Sections 32-1-207(3)(c), C.R.S.

25. Disclosure of Potential Conflict of Interest. The Board has determined that Legal Counsel may file general conflict of interest disclosure forms, if any, provided by board members with the Secretary of State each year, which forms may be updated on an annual basis through information given to Legal Counsel by board members. If a specific conflict arises regarding a certain transaction of the Board, the Board member is required to notify Legal Counsel at least five days prior to the date of the meeting so that the transactional disclosure form may be filed in a timely manner, in accordance with Sections 32-1-902(3) and 18-8-308, C.R.S. Additionally, at the beginning of every term, Legal Counsel may request that each board member submit information regarding actual or potential conflicts of interest.

26. Special District Association. If the District is currently a member of the Special District Association (“SDA”) and the Board directs its Accountant and/or District Manager to pay the annual SDA membership dues in a timely manner.

27. Insurance. The Board directs the District Manager to at least biannually review all insurance policies and coverage in effect to determine appropriate insurance coverage is maintained.

28. Promissory Notes. The District has no outstanding promissory note(s).

OR

28. Promissory Notes. The District has the following outstanding promissory note(s): _____.

29. Outstanding General Obligation Indebtedness. The District has no outstanding general obligation bonds or multiple fiscal year financial obligations.

OR

29. Outstanding General Obligation Indebtedness. The District has the following outstanding general obligation bonds or multiple fiscal year financial obligations:

30. Continuing Disclosure. The District Manager and/or Accountant shall provide continuing disclosure service if and as applicable to the bonds and other financial obligations of the District.

31. Workers' Compensation. Pursuant to Section 8-40-202(1)(a)(I)(B), C.R.S., the elected and appointed officials of the District shall not be deemed to be an employee within the meaning of Section 8-40-202(1)(a), C.R.S. Such exclusion shall apply for all policy years until such time as the exclusion may be repealed by the Board of Directors of the District or unless _____ at the direction of the Board acquires coverage.

OR

31. Workers' Compensation. Pursuant to Section 8-40-202(1)(a)(I)(B), C.R.S., the elected and appointed officials of the District shall be deemed to be an employee within the meaning of Section 8-40-202(1)(a), C.R.S. The Board directs the Accountant and/or District Manager to pay the annual workers' compensation premium on behalf of the District in a timely manner.

32. PDPA. Pursuant to the provisions of the Colorado Public Deposit Protection Act §11-10.5-101, et seq., C.R.S., the Board appoints the District Manager as the official custodian of public deposits.

33. Public Disclosure Statement. Pursuant to C.R.S. Section 32-1-104.8, the Board directs the District Manager to prepare and record a special district public disclosure document, including a map showing the boundaries of the District, with the County Clerk and Recorder. Such recording shall have been made on or before December 31, 2014, or as soon as practical after the approval of this Resolution, and at the same time as any subsequent order or decree approving an inclusion of property into the District is recorded with the County Clerk and Recorder.

34. Water or Sewer Rates. The Board directs that any Board action to fix or increase fees, rates, tolls, penalties or charges for domestic water or sanitary sewer service rates will be taken after consideration at a public meeting. Such public meeting will be held at least thirty days after providing notice to the customers receiving the water or sewer services from the District. Notice will be made pursuant to and in a matter prescribed by Section 32-1-1001(2)(a), C.R.S.

35. Undocumented Worker Certification. In compliance with C.R.S. Section 8-17.5-101 *et seq.*, the Board directs that each existing and prospective service contract entered into by the District must contain specific language regarding the prohibition of the use of illegal aliens to perform work under a public contract for services.

36. Inclusions/Exclusions of Property. The Board directs Legal Counsel to handle all procedures required under the Colorado state statutes regarding the inclusion and exclusion of property into and out of the District's boundaries.

37. Underground and Aboveground Storage Tanks. If applicable, the Board directs the District Manager to register and renew annually all underground and/or aboveground storage tanks with the state inspector of oils.

38. Underground Facility Locating. If applicable, the Board directs the District Manager to provide accurate information regarding the boundaries of the District's service area, the type of underground facility that may be encountered within such service area, and the name, address and telephone number of a person who shall be the designated contact person for the information regarding the District's underground facilities along with information concerning underground facilities that the District owns or operates which are not located within the designated service area to the Utility Notification Center of Colorado. The Board further authorizes the District to maintain its membership in the notification association as a "Tier 2" member, if applicable.

39. Recording of Conveyances of Real Property to the District. Pursuant to C.R.S 38-35-109.5(2), the District Manager is designated as an appropriate official to record conveyances of real property to the District within 30 days of such conveyance.

40. Ratification of Past Actions. The Board members have reviewed the minutes of every meeting of the Board conducted in 2015, and the Board, being fully advised of the premises, hereby ratifies and affirms each and every action of the Board taken in 2015.

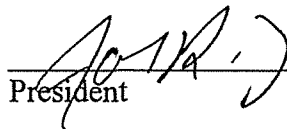
41. Emergency Liaison Officer. The Board designates the President of the District, in his/her capacity as elected official for the District, as the Emergency Liaison Officer responsible for facilitating the cooperation and protection of the District in the work of disaster prevention, preparedness, response, and recovery with the Colorado Office of Emergency Management and any local disaster agencies. The Emergency Liaison Officer shall have the authority to designate such agents as (s)he shall determine appropriate to perform any and all acts necessary to facilitate the responsibilities of the Emergency Liaison Officer.

42. Dates Herein. All dates set forth in this Resolution shall be in 2016 unless otherwise specified.

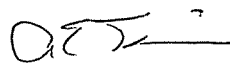
43. This Resolution shall be deemed renewed each year until terminated or a new resolution is adopted.

Adopted and approved this 6th day of November, 2015.

CROWFOOT VALLEY RANCH
METROPOLITAN DISTRICT NOS. 1 AND 2

By:  _____
President

ATTEST:

By:  _____
Secretary

**RESOLUTION TO AMEND 2015 BUDGET
CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 2**

WHEREAS, the Board of Directors of the Crowfoot Valley Ranch Metropolitan District No. 2 appropriated funds for the fiscal year 2015 as follows:

General Fund	\$	50,828
Debt Service Fund	\$	-0-

WHEREAS, the necessity has arisen for additional expenditures or appropriations requiring the expenditure of funds in excess of those appropriated for the fiscal year 2015; and

WHEREAS, the expenditures are a contingency which could not have been reasonably foreseen at the time of adoption of the budget; and

WHEREAS, the necessity has arisen for additional appropriations and expenditures of funds as reflected by satisfactory evidence presented to and accepted by the Board of Directors at this meeting and set out in the amended budget attached hereto as **Exhibit A**; and

WHEREAS, funds are available for such expenditures from revenue funds available to the District; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget amendment was available for inspection by the public at a designated public office, a public hearing was held on November 6, 2015, and interested electors were given the opportunity to file or register any objections to said proposed budget amendment.


NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Crowfoot Valley Ranch Metropolitan District No. 2 shall and hereby does amend the budget for the fiscal year 2015 as follows:

General Fund	\$	52,830
Debt Service Fund	\$	12,840

BE IT FURTHER RESOLVED, that such sums are hereby appropriated from the revenues of the District to the above-referenced Fund(s) for the purposes stated in **Exhibit A** and that such action of the Board is hereby ratified and approved *nunc pro tunc* as of the date of the actual expenditures.

ADOPTED this 6th day of November, 2015.

CROWFOOT VALLEY RANCH
METROPOLITAN DISTRICT NO. 2

By:  _____
President

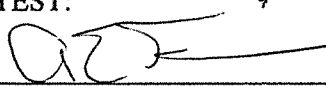
ATTEST:  _____
Secretary

EXHIBIT A

CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 2
GENERAL FUND
AMENDED 2015 BUDGET SCHEDULE

	ORIGINAL BUDGET 2015	AMENDED BUDGET 2015
BEGINNING FUND BALANCES	\$ -	\$ -
REVENUES		
Property taxes	42,924	42,926
Specific ownership taxes	3,765	5,765
Other income	-	-
Fire protection tax	4,139	4,139
Total revenue	<u>50,828</u>	<u>52,830</u>
Total funds available	<u>50,828</u>	<u>52,830</u>
EXPENDITURES		
General and administration		
Contingency	2,000	2,000
County Treasurer's fees	706	706
Payment to Town	4,077	4,075
Transfer to District No. 1	44,045	46,049
Total expenditures	<u>50,828</u>	<u>52,830</u>
Total expenditures and transfers out requiring appropriation	<u>50,828</u>	<u>52,830</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>

CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 2
DEBT SERVICE FUND
AMENDED 2015 BUDGET SCHEDULE

	ORIGINAL BUDGET 2015	AMENDED BUDGET 2015
BEGINNING FUND BALANCES	\$ 12,820	\$ 12,820
REVENUES		
Net investment income	20	20
Total revenue	<u>20</u>	<u>20</u>
Total funds available	<u>12,840</u>	<u>12,840</u>
EXPENDITURES		
Debt service		
Transfer to District No. 1	-	12,840
Total expenditures	<u>-</u>	<u>12,840</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>12,840</u>
ENDING FUND BALANCES	<u>\$ 12,840</u>	<u>\$ -</u>

**RESOLUTION
TO ADOPT 2016 BUDGET, APPROPRIATE SUMS OF MONEY,
AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY
CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 2**

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2016 TO HELP DEFRAY THE COSTS OF GOVERNMENT, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 2, DOUGLAS COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2016, AND ENDING ON THE LAST DAY OF DECEMBER, 2016,

WHEREAS, the Board of Directors of the Crowfoot Valley Ranch Metropolitan District No. 2 has authorized its consultants to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, the proposed budget has been submitted to the Board of Directors of the District for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on November 6, 2015, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues or planned to be expended from reserves or fund balances so that the budget remains in balance, as required by law; and

WHEREAS, the amount of money necessary to balance the budget for general operating purposes from property tax revenue is \$41,679; and

WHEREAS, the Board of Directors finds that it is required to temporarily lower the operating mill levy to render a refund for \$-0-; and

WHEREAS, the amount of money necessary to balance the budget for voter-approved bonds and interest is \$-0-; and

WHEREAS, the amount of money necessary to balance the budget for contractual obligation purposes from property tax revenue as approved by voters from property tax revenue is \$4,019; and

WHEREAS, the amount of money necessary to balance the budget for capital expenditure purposes from property tax revenue as approved by voters or at public hearing is \$-0-; and

WHEREAS, the amount of money necessary to balance the budget for refunds/abatements is \$-0-; and

WHEREAS, the 2015 valuation for assessment for the District as certified by the County Assessor of Douglas County is \$595,420; and

WHEREAS, at an election held on November 5, 2002, the District has eliminated the revenue and expenditure limitations imposed on governmental entities by Article X, Section 20 of the Colorado Constitution and Section 29-1-301, C.R.S., as amended.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 2 OF DOUGLAS COUNTY, COLORADO:

Section 1. Adoption of Budget. That the budget as submitted, and attached hereto and incorporated herein by this reference, and if amended, then as amended, is hereby approved and adopted as the budget of the Crowfoot Valley Ranch Metropolitan District No. 2 for calendar year 2016.

Section 2. Budget Revenues. That the estimated revenues for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 3. Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 4. Levy of General Property Taxes. That the Board of Directors does hereby certify the levy of general property taxes for collection in 2016 as follows:

A. Levy for General Operating and Other Expenses. That for the purposes of meeting all general operating expense of the District during the 2016 budget year, there is hereby levied a tax of 70.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2015.

B. Temporary Tax Credit or Rate Reduction. That pursuant to Section 39-1-111.5, C.R.S. for the purposes of effect of a refund for the purposes set forth in Section 20 of Article X of the Colorado Constitution, there is hereby certified a temporary property tax credit or temporary mill levy rate reduction of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2015.

C. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all debt retirement expense of the District during the 2016 budget

year, as the funding requirements of the current outstanding general obligation indebtedness is detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2015.

D. Levy for Contractual Obligations. That for the purposes of meeting the contractual obligation expense of the District during the 2016 budget year, as detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 6.750 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2015.

E. Levy for Capital Expenditures. That for the purposes of meeting all capital expenditures of the District during the 2016 budget year pursuant to Section 29-1-301(1.2) or 29-1-302(1.5), C.R.S., 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 boundaries of the District for the year 2015.

F. Levy for Refunds/Abatements. That for the purposes of recoupment of refunds/abatements of taxes pursuant to Section 39-10-114(1)(a)(I)(B), C.R.S., 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 boundaries of the District for the year 2015.

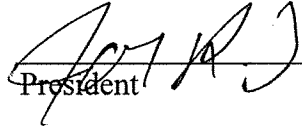
Section 5. Property Tax and Fiscal Year Spending Limits. That, being fully informed, the Board finds that the foregoing budget and mill levies do not result in a violation of any applicable property tax or fiscal year spending limitation.

Section 6. Certification. That the Secretary of the District is hereby authorized and directed to certify by December 15, 2015, to the Board of County Commissioners of Douglas County, Colorado, the mill levies for the District herein above determined and set, or be authorized and directed to certify to the Board of County Commissioners of Douglas County, Colorado, as herein above determined and set, but as recalculated as needed upon receipt of the final certification of valuation from the County Assessor on or about December 10, 2015, in order to comply with any applicable revenue and other budgetary limits or to implement the intent of the District. That said certification shall be in substantially the form set out and attached hereto and incorporated herein by this reference.

Section 7. 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.


ADOPTED this 6th day of November, 2015.

CROWFOOT VALLEY RANCH
METROPOLITAN DISTRICT NO. 2



President

ATTEST:



Secretary

ATTACH COPY OF THE ADOPTED BUDGET
ATTACH COPY OF THE CERTIFICATION OF TAX LEVIES