

CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 2

141 Union Boulevard, Suite 150
Lakewood, Colorado 80228-1898
Tel: 303-987-0835 • 800-741-3254
Fax: 303-987-2032
<https://crowfootmd1-2.colorado.gov>

NOTICE OF A SPECIAL MEETING AND AGENDA

| <u>Board of Directors:</u> | <u>Office:</u> | <u>Term/Expires:</u> |
|----------------------------|---------------------|----------------------|
| Chad Murphy | President | 2022/May 2022 |
| Richard Cross | Treasurer | 2023/May 2023 |
| Mitchell M. Peterson | Assistant Secretary | 2023/May 2023 |
| Ryan D. Marsh | Assistant Secretary | 2022/May 2022 |
| <i>VACANT</i> | | 2022/May 2022 |
| Ann E. Finn | Secretary | |

DATE: **September 20, 2021**

TIME: **1:00 p.m.**

LOCATION: **Zoom**

This meeting will be held via Zoom Meeting and can be joined through the directions below:

<https://us02web.zoom.us/j/85742699361?pwd=eHRnTW9QaE1zbDZXaE9qVlJEMlJWQT09>

Phone: 1 (253) 215-8782 or 1 (346) 248-7799

Meeting ID: 857 4269 9361

Password: 350056

One tap mobile: +13462487799,,85742699361#,,,*350056#

I. ADMINISTRATIVE MATTERS

A. Disclosure of Potential Conflicts of Interest.

B. Approve Agenda; confirm location of the meeting.

C. Review and approve the Minutes of the June 7, 2021 Special Meeting (enclosure).

D. Acknowledge the resignation of John (“Jay”) W. Despard, effective June 11, 2021 (enclosure).

- E. Consider appointment of Director (enclosure – Notice of Vacancy published June 24, 2021).
-

- F. Consider appointment of Officers:

President _____
Treasurer _____
Secretary _____
Asst. Secretary _____
Asst. Secretary _____
Asst. Secretary _____

II. PUBLIC COMMENTS

- A. Members of the public may express their views to the Board on matters that affect the District. Comments will be limited to three (3) minutes.
-

III. FINANCIAL MATTERS

- A. Review and accept unaudited financial statements for the period ending June 30, 2021 and the schedule of cash position updated as of July 29, 2021 (enclosure).
-

IV. LEGAL MATTERS

- A. _____

V. OTHER BUSINESS

- A. _____

VI. ADJOURNMENT **THE NEXT REGULAR MEETING IS SCHEDULED FOR DECEMBER 6, 2021 – BUDGET HEARING**

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 2 HELD JUNE 7, 2021

A Special Meeting of the Board of Directors (the “Board”) of the Crowfoot Valley Ranch Metropolitan District No. 2 (the “District”) was convened on Wednesday, the 7th day of June 2021, at 1:00 p.m. via Zoom Meeting. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Chad Murphy
Richard Cross
Mitchell M. Peterson
Ryan D. Marsh

Following discussion, upon motion duly made by Director Murphy, seconded by Director Cross and, upon vote, unanimously carried, the absence of Director Despard was excused.

Also In Attendance Were:

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

Micki Mills; Collins Cockrel & Cole P.C.

Paul Wilson and Jason Carroll; CliftonLarsonAllen LLP

Collier Bailey; Hines Interests Limited Partnership

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 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 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 all Directors’ Disclosure Statements have been filed.

RECORD OF PROCEEDINGS

ADMINISTRATIVE MATTERS

Agenda: The Board reviewed a proposed Agenda for the District's Special Meeting. Director Murphy requested the Agenda be amended to include discussion of the potential resignation of Director Despard from the Board of Directors.

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

Resignation of Jay Despard: Director Murphy advised that Director Despard will be resigning his position on the Board of Directors of the District within the next 30 days. Thereupon, Ms. Mills was directed to publish the statutory Notice of Vacancy to allow for the District's constituents to file any letters of interest to be appointed to fill the vacancy on the Board.

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. The Board noted that due to Executive Orders issued by Governor Polis and Public Health Orders implementing the Executive Orders issued by the Colorado Department of Health and Environment, and the threat posed by the COVID-19 coronavirus, the meeting was held via Zoom Meeting.

Minutes: The Board reviewed the Minutes of the February 24, 2021 Special Meeting.

Following discussion, upon motion duly made by Director Murphy, seconded by Director Cross and, upon vote, unanimously carried, the Minutes of the February 24, 2021 Special Meeting were approved, as presented.

PUBLIC COMMENT

There was no public comment.

FINANCIAL MATTERS

Unaudited Financials and Cash Position Schedule: Mr. Wilson reviewed for the Board the unaudited financial statements of the District setting forth the cash deposits, investments, budget analysis, and accounts payable vouchers for the period ending March 31, 2021 and the schedule of cash position statement updated as of May 3, 2021.

Following review and discussion, upon motion duly made by Director Murphy, seconded by Director Cross and, upon vote, unanimously carried, the unaudited financial statements and the schedule of cash position statement were accepted, as presented.

RECORD OF PROCEEDINGS

2020 Audit: Mr. Wilson reviewed the draft 2020 Audit with the Board.

Following review and discussion, upon motion duly made by Director Murphy, seconded by Director Cross, and upon vote, unanimously carried, the Board accepted the 2020 Audited Financial Statements and authorized execution of the Representations Letter, subject to final legal review and receipt of an Unmodified Opinion Letter from the Auditor.

2022 Budget Public Hearing: The Board entered into discussion regarding setting the date for a Public Hearing to adopt the 2022 Budget.

Following discussion, upon motion duly made by Director Murphy, seconded by Director Cross and, upon vote, unanimously carried, the Board determined to hold the public hearing to consider adoption of the 2022 Budget on December 6, 2021, at 1:00 p.m., at Hines, 1144 15th Street, Suite 2600, Denver, Colorado 80202 or virtually pending COVID-19 restrictions.

LEGAL MATTERS

Resolution to Conduct Meeting Outside of District Boundaries and Douglas County: The Board reviewed a Resolution to Conduct Meeting Outside of District Boundaries and Douglas County.

Following discussion, upon motion duly made by Director Murphy, seconded by Director Cross and, upon vote, unanimously carried, the Board adopted the Resolution to Conduct Meeting Outside of District Boundaries and Douglas County.

OTHER BUSINESS

There were no other matters.

ADJORNMENT

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

Respectfully submitted,

By: _____
Secretary for the Meeting

June 11, 2021


Crowfoot Valley Ranch Metropolitan District Nos. 1 and 2
c/o Special District Management Services, Inc.
141 Union Boulevard, Suite 150
Lakewood, Colorado 80228

**Re: Crowfoot Valley Ranch Metropolitan District Nos. 1 and 2
Resignation**

Dear Directors:

Effective as of the date of this letter, I hereby resign my positions as a director on the Board of Directors of each of the Crowfoot Valley Ranch Metropolitan District Nos. 1 and 2. It has been a pleasure to serve on the Boards.

Very truly yours,

DocuSigned by:

9E2079D130FB49D...
John W. Despard

CROWFOOT VALLEY RANCH METRO DISTRICT #2

FINANCIAL STATEMENTS

JUNE 30, 2021

CROWFOOT VALLEY RANCH METRO DISTRICT #2
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2021

| | General | Debt Service | Capital Projects | Total |
|--|-----------------|---------------------|-------------------------|---------------------|
| ASSETS | | | | |
| C - Safe | \$ - | \$ 647,174 | \$ - | \$ 647,174 |
| UMB Senior Bond Fund - Series 2018A | - | 253,669 | - | 253,669 |
| UMB Senior Surplus Fund - Series 2018A | - | 2,959,546 | - | 2,959,546 |
| UMB Senior Project Fund - 2018A | - | - | 1,259,061 | 1,259,061 |
| UMB Sub Project Fund - 2018B | - | - | 3,279,143 | 3,279,143 |
| Receivable from County Treasurer | 1,405 | 2,627 | - | 4,032 |
| TOTAL ASSETS | \$ 1,405 | \$ 3,863,016 | \$ 4,538,204 | \$ 8,402,625 |
| LIABILITIES AND FUND BALANCES | | | | |
| CURRENT LIABILITIES | | | | |
| Due to other districts | \$ 1,405 | \$ - | \$ 862,801 | \$ 864,206 |
| Total Liabilities | 1,405 | - | 862,801 | 864,206 |
| FUND BALANCES | | | | |
| Total Fund Balances | - | 3,863,016 | 3,675,403 | 7,538,419 |
| TOTAL LIABILITIES AND FUND BALANCES | \$ 1,405 | \$ 3,863,016 | \$ 4,538,204 | \$ 8,402,625 |

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statements of revenues, expenditures and changes in fund balances - governmental funds have been omitted.

**CROWFOOT VALLEY RANCH METRO DISTRICT #2
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE SIX MONTHS ENDED JUNE 30, 2021**

GENERAL FUND

| | <u>Annual Budget</u> | <u>Year to Date Actual</u> | <u>Variance</u> |
|------------------------------------|--------------------------|--------------------------------|-----------------|
| REVENUES | | | |
| Property Taxes | \$ 88,809 | \$ 88,809 | \$ - |
| Fire Protection Tax | 29,971 | 29,971 | - |
| Specific Ownership tax | 9,503 | 5,867 | (3,636) |
| Interest Income | 20 | 3 | (17) |
| Other Revenue | 4,197 | - | (4,197) |
| TOTAL REVENUES | <u>132,500</u> | <u>124,650</u> | <u>(7,850)</u> |
| EXPENDITURES | | | |
| County Treasurer's fee | 1,332 | 1,332 | - |
| County Treasurers Fee - Fire | 450 | 450 | - |
| Payment to Town | 29,521 | 29,521 | - |
| Intergovernmental expenditures | 96,980 | 93,347 | 3,633 |
| Contingency | 4,217 | - | 4,217 |
| TOTAL EXPENDITURES | <u>132,500</u> | <u>124,650</u> | <u>7,850</u> |
| NET CHANGE IN FUND BALANCES | - | - | - |
| FUND BALANCES - BEGINNING | - | - | - |
| FUND BALANCES - ENDING | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

SUPPLEMENTARY INFORMATION

**CROWFOOT VALLEY RANCH METRO DISTRICT #2
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE SIX MONTHS ENDED JUNE 30, 2021**

DEBT SERVICE FUND

| | <u>Annual Budget</u> | <u>Year to Date Actual</u> | <u>Variance</u> |
|------------------------------------|--------------------------|--------------------------------|-------------------|
| REVENUES | | | |
| Property Taxes | \$ 222,024 | \$ 222,023 | \$ (1) |
| Specific Ownership tax | 17,762 | 10,966 | (6,796) |
| Interest Income | 18,913 | 952 | (17,961) |
| Facilities fees | 636,000 | 333,000 | (303,000) |
| TOTAL REVENUES | <u>894,699</u> | <u>566,941</u> | <u>(327,758)</u> |
| EXPENDITURES | | | |
| County Treasurer's fee | 3,330 | 3,330 | - |
| Trustee Fees | 6,000 | - | 6,000 |
| Series 2018A Bonds Interest | 1,824,819 | 912,409 | 912,410 |
| Contingency | 5,851 | - | 5,851 |
| TOTAL EXPENDITURES | <u>1,840,000</u> | <u>915,739</u> | <u>924,261</u> |
| NET CHANGE IN FUND BALANCES | (945,301) | (348,798) | 596,503 |
| FUND BALANCES - BEGINNING | <u>4,255,403</u> | <u>4,211,815</u> | <u>(43,588)</u> |
| FUND BALANCES - ENDING | <u>\$ 3,310,102</u> | <u>\$ 3,863,017</u> | <u>\$ 552,915</u> |

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statements of revenues, expenditures and changes in fund balances - governmental funds have been omitted.

**CROWFOOT VALLEY RANCH METRO DISTRICT #2
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE SIX MONTHS ENDED JUNE 30, 2021**

CAPITAL PROJECTS FUND

| | <u>Annual Budget</u> | <u>Year to Date Actual</u> | <u>Variance</u> |
|--|--------------------------|--------------------------------|---------------------|
| REVENUES | | | |
| Interest Income | \$ 22,000 | \$ 1,166 | \$ (20,834) |
| TOTAL REVENUES | <u>22,000</u> | <u>1,166</u> | <u>(20,834)</u> |
| EXPENDITURES | | | |
| Intergovernmental Expenditure - District No. 1 | <u>8,812,962</u> | <u>1,260,676</u> | <u>7,552,286</u> |
| TOTAL EXPENDITURES | <u>8,812,962</u> | <u>1,260,676</u> | <u>7,552,286</u> |
| NET CHANGE IN FUND BALANCES | (8,790,962) | (1,259,510) | 7,531,452 |
| FUND BALANCES - BEGINNING | <u>8,790,962</u> | <u>4,934,915</u> | <u>(3,856,047)</u> |
| FUND BALANCES - ENDING | <u>\$ -</u> | <u>\$ 3,675,405</u> | <u>\$ 3,675,405</u> |

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statements of revenues, expenditures and changes in fund balances - governmental funds have been omitted.

CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 2
2021 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 District Court for Douglas County on December 3, 2002, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District's service area is located in Douglas County, Colorado.

The District was organized to provide financing for the design, acquisition, installation and construction of sanitation improvements, water improvements, street improvements, traffic and safety control improvements, park and recreation improvements, transportation improvements, television relay and translation improvements, mosquito control, fire protection, emergency medical services, and operation and maintenance of the District. Under the Service Plan, the District is the Financing District related to Crowfoot Valley Ranch Metropolitan District No. 1, the Service District ("District No. 1").

On November 4, 2014, the District's voters authorized general obligation indebtedness of \$53,000,000 for street improvements, \$53,000,000 for parks and recreation, \$53,000,000 for water supply system, \$53,000,000 for sanitary sewer system, \$53,000,000 for traffic and safety control, \$53,000,000 for public transport, \$53,000,000 for fire protection and emergency response facilities, and \$106,000,000 for refinancing of District debt. This voter authorization replaced the voter authorization of November 5, 2002. District voters also approved authorization for the District to retain and spend District revenues, from any lawful source, in excess of the spending, revenue raising or other limitations in Article X, Section 20 of the Colorado constitution.

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

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

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.

CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 2
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Revenues - (continued)

The District's service plan sets a mill levy cap for payment of general obligation debt and for operations and maintenance of 70.000 mills district wide, with 20.000 mills for operating costs. Additionally 6.750 mills is designated for fire protection, payable to the Castle Rock Fire Protection District. The operating mill levy may include an additional levy not to exceed 10.00 mills for subdistricts created to serve specific areas within the district.

The method of calculating assessed valuation of residential assessment rates in the State of Colorado changed to 7.15% from 7.20% for property tax years 2019-2020 on June 10, 2019 with a report submitted to the State Board of Equalization. Accordingly, the mill levy has been adjusted upward to reflect the change assessed value calculation.

The property taxes levied are as shown on the Property Tax Summary Page.

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 8.0% of the total property taxes collected by the General Fund.

Interest Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately .50%.

Facilities Fees

Capital Fees are pledged to the payment of the Bonds and are generally defined to mean all fees, rates, tolls, penalties, and charges of a capital nature (excluding periodic, recurring service charges) imposed by the District at the time of issuance of the Bonds or thereafter, including Facilities Fees. The District is expected to adopt a Facilities Fee Resolution prior to the issuance of the Bonds. Capital Fees do not include Excluded Fees, which are defined in the Indentures as any fee imposed by the District solely for the purpose of funding operation and maintenance expenses.

The Facilities Fee Resolution will impose a one-time fee in the amount of \$3,000 for each single-family or multi-family dwelling unit located within the District. The Facilities Fees are payable at the time a building permit is issued by the County for any dwelling unit. Facilities Fees are pledged to the payment of the Bonds.

CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 2
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Expenditures

General and Administrative Expenditures

General and administrative expenditures have been provided based on estimates of the District's Board of Directors and consultants and include the services necessary to maintain the District's administrative viability such as legal, accounting, managerial, insurance, meeting expense, and other administrative expenses.

Payment to Town

The District has entered into an intergovernmental agreement with the Town of Castle Rock for fire protection and emergency response services. The Town of Castle Rock was required to build a new fire station to service the District and as a result the District agreed to levy 7.514 mills, as adjusted for changes in assessed valuation, and remit the proceeds, net of collection fees, to the Town annually.

County Treasurer's Fees

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

Debt and Leases

Series 2018 Bonds

One June 19, 2018 the District issued 2018A Senior Bonds and the 2018B Subordinate Bonds in the respective amounts of \$31,945,000 and \$3,260,000. Proceeds from the sale of the 2018A Senior Bonds will be used to: (i) finance or reimburse the costs of public improvements related to the Development; (ii) fund capitalized interest on the 2018A Senior Bonds; (iii) make an initial deposit to the 2018A Surplus Fund; and (iv) pay the costs of issuance of the Bonds. Proceeds from the sale of the 2018B Subordinate Bonds will be used to: (i) finance or reimburse the cost of public improvements related to the Development; and (ii) pay certain other costs of issuance of the 2018B Subordinate Bonds.

The 2018A Senior Bonds are will bear interest at rates ranging from 5.625% to 5.750% and are payable semi-annually on June 1 and December 1, beginning on December 1, 2018. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2026. The 2018A Senior Bonds mature on December 1, 2048. The 2018B Subordinate Bonds are assumed to be issued at the rate of 8% per annum and are payable annually on December 15, beginning December 15, 2018, from, and to the extent of, Subordinate Pledged Revenue available, if any, and mature on December 15, 2048.

The 2018B Subordinate Bonds will bear interest at 8.00% and are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest prior to the final maturity date. Unpaid interest on the 2018B Subordinate Bonds compounds annually at the rate then borne by the 2018B Subordinate Bonds on each December 15. In the event any amounts due and owing on the 2018B Subordinate Bonds remain outstanding on December 15, 2058, such amounts shall be deemed discharged and shall no longer be due and outstanding.

**CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 2
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases - (continued)

The 2018A Senior Bonds are payable solely from and to the extent of the Senior Pledged Revenue, defined generally in the 2018A Senior Indenture as the following, net of any costs of collection: a) all Senior Property Tax Revenues (generally defined as revenues resulting from the imposition of the Senior Required Mill Levy); b) all Senior Specific Ownership Tax Revenues, resulting from the imposition of the Senior Required Mill Levy; c) all Capital Fees; and d) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Senior Bond Fund.

The 2018A Senior Bonds are additionally secured by the 2018A Surplus Fund, which will initially be partially funded with proceeds of the 2018A Senior Bonds, and will also be funded with excess Senior Pledged Revenue, if any, to the Maximum Surplus Amount of \$6,389,000, and by capitalized interest which will be funded with proceeds of the 2018A Senior Bonds. Amounts on deposit in the 2018A Surplus Fund (if any) on the final maturity date of the 2018A Senior Bonds shall be applied to the payment of the 2018A Senior Bonds. The availability of such amount shall be taken into account in calculating the Senior Required Mill Levy required to be imposed in December 2047.

The 2018B Subordinate Bonds are payable solely from and to the extent of the Subordinate Pledged Revenue, which is defined generally in the 2018B Subordinate Indenture as the following, net costs of collection: a) all Subordinate Property Tax Revenues (generally defined as revenues resulting from the imposition of the Subordinate Required Mill Levy); b) all Subordinate Specific Ownership Tax Revenues, resulting from the imposition of the Subordinate Required Mill Levy; c) all Subordinate Capital Fee Revenue; and d) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Subordinate Bond Fund. Subordinate Capital Fee Revenue is defined as any revenue from Capital Fees remaining after deduction of any amount thereof used, paid, pledged, or otherwise applied to the payment of any Senior Obligations. For the Senior Required Mill Levy and the Subordinate Required Mill Levy, the Indentures separate property taxes and specific ownership taxes generated by each mill levy. Receipts generated from the Senior Required Mill Levy are pledged to the repayment of the 2018A Senior Bonds and receipts generated from the Subordinate Required Mill Levy are pledged to the repayment of the 2018B Subordinate Bonds. In no event is Subordinate Pledged Revenue required to be deposited to the Senior Bond Fund or to be applied to debt service on the 2018A Senior Bonds. Assumptions related to debt principal amounts, bond interest rates, issuance costs, capitalized interest amounts, and other related debt service costs for the proposed 2018A Senior Bonds and 2018B Subordinate Bonds have been provided to Management by D.A. Davidson & Co., the underwriter of the proposed bond issuance of the District.

| | Balance at December 31, 2019 | Additions | Reductions | Balance at December 31, 2020 |
|--|------------------------------------|------------|------------|------------------------------------|
| G.O Bonds - Series 2018B Unpaid Interest | \$ 414,150 | \$ 293,932 | \$ - | \$ 708,082 |

| | Balance at December 31, 2020 | Additions | Reductions | Balance at December 31, 2021 |
|--|------------------------------------|------------|------------|------------------------------------|
| G.O Bonds - Series 2018B Unpaid Interest | \$ 708,082 | \$ 317,447 | \$ - | \$ 1,025,529 |

CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 2
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Debt and Leases - (continued)

Leases

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

Reserves

Emergency Reserve

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year spending. Since substantially all funds received by the District are transferred to District No. 1, which pays for all the District's operations and maintenance costs, an Emergency Reserve is not reflected in the District's budget.

Surplus Fund

The 2018A Senior Bonds are additionally secured by the 2018A Surplus Fund, which will initially be partially funded with proceeds of the 2018A Senior Bonds, and will also be funded with excess Senior Pledged Revenue, if any, to the Maximum Surplus Amount of \$6,389,000, and by capitalized interest which will be funded with proceeds of the 2018A Senior Bonds.

**CROWFOOT VALLEY RANC METROPOLITAN DISTRICT NO. 2
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
LONG TERM DEBT**

| Bonds and Interest Maturing in the Year Ending December 31, | \$31,945,000 Limited Tax General Obligation Bonds Series 2018A Interest 5.625% - 5.750% Dated June 13, 2018 Interest Payable June 1 and December 1 Principal Payable December 1 | | |
|--|--|----------------------|----------------------|
| | Principal | Interest | Total |
| 2021 | \$ - | \$ 1,824,819 | \$ 1,824,819 |
| 2022 | - | 1,824,819 | 1,824,819 |
| 2023 | - | 1,824,819 | 1,824,819 |
| 2024 | - | 1,824,819 | 1,824,819 |
| 2025 | - | 1,824,819 | 1,824,819 |
| 2026 | 25,000 | 1,824,819 | 1,849,819 |
| 2027 | 190,000 | 1,823,413 | 2,013,413 |
| 2028 | 380,000 | 1,812,725 | 2,192,725 |
| 2029 | 515,000 | 1,791,350 | 2,306,350 |
| 2030 | 660,000 | 1,762,381 | 2,422,381 |
| 2031 | 710,000 | 1,725,256 | 2,435,256 |
| 2032 | 800,000 | 1,685,319 | 2,485,319 |
| 2033 | 845,000 | 1,640,319 | 2,485,319 |
| 2034 | 945,000 | 1,592,788 | 2,537,788 |
| 2035 | 995,000 | 1,539,631 | 2,534,631 |
| 2036 | 1,105,000 | 1,483,663 | 2,588,663 |
| 2037 | 1,165,000 | 1,421,506 | 2,586,506 |
| 2038 | 1,280,000 | 1,355,975 | 2,635,975 |
| 2039 | 1,355,000 | 1,283,975 | 2,638,975 |
| 2040 | 1,485,000 | 1,206,063 | 2,691,063 |
| 2041 | 1,570,000 | 1,120,675 | 2,690,675 |
| 2042 | 1,715,000 | 1,030,400 | 2,745,400 |
| 2043 | 1,815,000 | 931,788 | 2,746,788 |
| 2044 | 1,970,000 | 827,425 | 2,797,425 |
| 2045 | 2,085,000 | 714,150 | 2,799,150 |
| 2046 | 2,260,000 | 594,263 | 2,854,263 |
| 2047 | 2,390,000 | 464,313 | 2,854,313 |
| 2048 | 5,685,000 | 326,888 | 6,011,888 |
| | \$ 31,945,000 | \$ 39,083,180 | \$ 71,028,180 |

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statements of revenues, expenditures and changes in fund balances - governmental funds have been omitted.

Crowfoot Metropolitan District No. 2

Schedule of Cash Position

June 30, 2021

Updated 7/29/21

| | General Fund | Debt Service Fund | Capital Projects Fund | Total |
|--|-------------------------|------------------------------|----------------------------------|------------------------|
| <u>CSAFE</u> | | | | |
| Balance as of 6/30/21 | \$ 0.02 | \$ 647,174.10 | \$ - | \$ 647,174.12 |
| Subsequent activities: | | | | |
| 07/10/21 - Property Tax Receipt (June) | 1,405.46 | 2,626.98 | - | 4,032.44 |
| 07/11/21 - SDF Deposit | - | - | - | - |
| Anticipated Transfer to District #1 | (1,405.48) | - | - | (1,405.48) |
| Anticipated Transfer to Bond Fund | - | (649,801.08) | - | (649,801.08) |
| Anticipated balance | - | - | - | - |
| <u>UMB - Senior Bond Fund Series 2018A</u> | | | | |
| Balance as of 6/30/21 | \$ - | \$ 253,669.38 | \$ - | \$ 253,669.38 |
| Subsequent activities: | | | | |
| Anticipated Transfer from Csafe | - | 649,801.08 | - | 649,801.08 |
| Anticipated balance | - | 903,470.46 | - | 903,470.46 |
| <u>UMB - Senior Surplus Fund Series 2018A</u> | | | | |
| Balance as of 6/30/21 | \$ - | \$ 2,959,545.85 | \$ - | \$ 2,959,545.85 |
| Subsequent activities: | | | | |
| Anticipated balance | - | 2,959,545.85 | - | 2,959,545.85 |
| <u>UMB - Senior Project Fund Series 2018A</u> | | | | |
| Balance as of 6/30/21 | \$ - | \$ - | \$ 1,259,060.68 | \$ 1,259,060.68 |
| Subsequent activities: | | | | |
| 07/13/21 - Draw Request #30 | - | - | (818,496.98) | (818,496.98) |
| Anticipated Draw Request #31 | - | - | (42,173.86) | (42,173.86) |
| Anticipated balance | - | - | 398,389.84 | 398,389.84 |
| <u>UMB - Sub Project Fund Series 2018B</u> | | | | |
| Balance as of 6/30/21 | \$ - | \$ - | \$ 3,279,143.09 | \$ 3,279,143.09 |
| Subsequent activities: | | | | |
| Anticipated balance | - | - | 3,279,143.09 | 3,279,143.09 |
| Anticipated Balances | \$ - | \$ 3,863,016.31 | \$ 3,677,532.93 | \$ 7,540,549.24 |

Yield information 6/30/2021:

CSAFE - .02%

CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 2

Property Taxes Reconciliation

2021

| | Current Year | | | | | | | Prior Year | | | |
|--------------|----------------------|--|--------------------------|-------------|----------------------|----------------------|------------------------------------|----------------|---------------------|------------------------------------|----------------|
| | Property Taxes | Delinquent Taxes, Rebates and Abatements | Specific Ownership Taxes | Interest | Treasurer's Fees | Amount Received | % of Total Property Taxes Received | | Total Cash Received | % of Total Property Taxes Received | |
| | | | | | | | Monthly | Y-T-D | | Monthly | Y-T-D |
| January | \$ 26,263.29 | \$ - | \$ 2,571.54 | \$ - | \$ (393.95) | \$ 28,440.88 | 7.71% | 7.71% | \$ 437.27 | 0.00% | 0.00% |
| February | 260,449.46 | - | 2,198.49 | - | (3,906.74) | 258,741.21 | 76.42% | 84.13% | 910.95 | 1.16% | 1.16% |
| March | 16,072.54 | - | 3,338.05 | - | (241.09) | 19,169.50 | 4.72% | 88.84% | 302.60 | 0.00% | 1.16% |
| April | - | - | 2,836.60 | - | - | 2,836.60 | 0.00% | 88.84% | 50,779.24 | 97.52% | 98.68% |
| May | 37,338.16 | - | 2,524.27 | - | (560.07) | 39,302.36 | 10.96% | 99.80% | 314.48 | 0.00% | 98.68% |
| June | 679.27 | - | 3,363.36 | - | (10.19) | 4,032.44 | 0.20% | 100.00% | 994.33 | 1.15% | 99.83% |
| July | - | - | - | - | - | - | 0.00% | 100.00% | 540.69 | 0.17% | 100.00% |
| August | - | - | - | - | - | - | 0.00% | 100.00% | 392.79 | 0.00% | 100.00% |
| September | - | - | - | - | - | - | 0.00% | 100.00% | 424.90 | 0.00% | 100.00% |
| October | - | - | - | - | - | - | 0.00% | 100.00% | 398.60 | 0.00% | 100.00% |
| November | - | - | - | - | - | - | 0.00% | 100.00% | 412.53 | 0.00% | 100.00% |
| December | - | - | - | - | - | - | 0.00% | 100.00% | 406.49 | 0.00% | 100.00% |
| Total | \$ 340,802.72 | \$ - | \$ 16,832.31 | \$ - | \$ (5,112.04) | \$ 352,522.99 | 100.00% | 100.00% | \$ 56,314.87 | 100.00% | 100.00% |

| Assessed Valuation | Mills Levied | Taxes Levied | % of Levied | Property Taxes Collected | % Collected to Amount Levied |
|--------------------|--------------|--------------|-------------|--------------------------|------------------------------|
|--------------------|--------------|--------------|-------------|--------------------------|------------------------------|

Property Tax

| | | | | | | |
|-------------------|--------------|---------------|----------------------|----------------|----------------------|---------|
| General Fund | \$ 3,988,720 | 22.265 | 88,809.00 | 26.06% | \$ 88,808.66 | 100.00% |
| Fire Protection | \$ 3,988,720 | 7.514 | 29,971.00 | 8.79% | 29,970.89 | 100.00% |
| Debt Service Fund | \$ 3,988,720 | 55.663 | 222,024.00 | 65.15% | 222,023.17 | 100.00% |
| | | <u>85.442</u> | <u>\$ 340,804.00</u> | <u>100.00%</u> | <u>\$ 340,802.72</u> | |

Specific Ownership Tax

| | | | | |
|-------------------|---------------------|----------------|---------------------|--------|
| General Fund | \$ 9,503.00 | 34.85% | \$ 5,866.77 | 61.74% |
| Debt Service Fund | 17,762.00 | 65.15% | 10,965.54 | 61.74% |
| | <u>\$ 27,265.00</u> | <u>100.00%</u> | <u>\$ 16,832.31</u> | |

Treasurer's Fees

| | | | | |
|-------------------|--------------------|----------------|--------------------|---------|
| General Fund | \$ 1,332.00 | 26.06% | \$ 1,332.03 | 100.00% |
| Fire Protection | 450.00 | 8.80% | 450.00 | 100.00% |
| Debt Service Fund | 3,330.00 | 65.14% | 3,330.02 | 100.00% |
| | <u>\$ 5,112.00</u> | <u>100.00%</u> | <u>\$ 5,112.04</u> | |

| | | |
|-----------------------|---------------------|------------------|
| Collected GF | \$ 88,808.66 | |
| Collected SO | 5,866.77 | |
| CSAFE Interest | 3.96 | |
| Less fees: | (1,332.03) | |
| Transfer to #1 | \$ 93,347.36 | Income Statement |

| | | |
|-------------------------|---------------------|---------------|
| Payment to Town: | | |
| Fire Protection | \$ 29,970.89 | |
| Less fees: | (450.00) | |
| Payment to Town: | \$ 29,520.89 | Balance Sheet |

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statements of revenues, expenditures and changes in fund balances - governmental funds have been omitted.