

RESOLUTION
ADOPTING BUDGET, IMPOSING MILL LEVY AND APPROPRIATING FUNDS

(2020)

The Board of Directors of The Plaza Metropolitan District No. 3 (the “Board”), City of Lakewood, Jefferson County, Colorado (the “District”) held a regular meeting at 7337 W. Alaska Drive, Suite 200, Lakewood, Colorado, on Wednesday, November 13, 2019, at the hour of 4:00 P.M.

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

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The Denver Post, LLC

PUBLISHER'S AFFIDAVIT

**City and County of Denver)
State of Colorado)
)**

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

1. He/she is the legal Advertising Reviewer of The Denver Post, LLC, publisher of *The Denver Post* and *Your Hub*.
2. *The Denver Post* and *Your Hub* are newspapers of general circulation that have been published continuously and without interruption for at least fifty-two weeks in Denver County and meet the legal requisites for a legal newspaper under Colo. Rev. Stat. 24-70-103.
3. The notice that is attached hereto is a true copy, published in *Your Hub* for Lakewood (including the counties of Jefferson and Denver) on the following date(s):

November 7, 2019

Nicole Maestas
Signature

Subscribed and sworn to before me this 28 day of January, 2020.

Rosann R Wunsch
Notary Public

(SEAL) **ROSANN R WUNSCH
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20024002315
MY COMMISSION EXPIRES FEBRUARY 26, 2022**

NOTICE OF PUBLIC HEARING ON THE PROPOSED 2020 BUDGET AND NOTICE OF PUBLIC HEARING ON THE AMENDED 2019 BUDGET

NOTICE IS HEREBY GIVEN that a proposed 2020 budget has been submitted to the Board of Directors (the "Board") of THE PLAZA METROPOLITAN DISTRICT NO. 3 (the "District"). A copy of the proposed budget is on file in the office of CliftonLarsonAllen LLP, 8390 E. Crescent Parkway, Suite 300, Greenwood Village, Colorado, where the same is open for public inspection.

NOTICE IS FURTHER GIVEN that an amendment to the 2019 budget has been submitted to the District. A copy of the proposed amended budget is on file in the office of CliftonLarsonAllen LLP, 8390 E. Crescent Parkway, Suite 300, Greenwood Village, Colorado, where the same is open for public inspection.

Such proposed budget and amended budget will be considered at a public hearing during a meeting of the District to be held at 7337 W. Alaska Drive, Suite 200, Lakewood, Colorado, on Wednesday, November 13, 2019 at 4:00 P.M. Any interested elector of the District may file any objections to the proposed budget or amended budget at any time prior to final adoption of the budget and amended budget by the governing body of the District.

BY ORDER OF THE BOARD OF DIRECTORS:
THE PLAZA METROPOLITAN DISTRICT NO. 3
/s/ WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

Published In: *Lakewood Your Hub*
Published On: November 7, 2019

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET AND APPROPRIATING SUMS OF MONEY TO EACH FUND IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE DISTRICT FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2020 AND ENDING ON THE LAST DAY OF DECEMBER 2020.

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

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

WHEREAS, upon due and proper notice, provided in accordance with Colorado law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on November 13, 2019, interested electors were given the opportunity to file or present any objections to said proposed budget at any time prior to final adoption of the budget by the Board.

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

Section 1. Adoption of Budget. The budget attached hereto and incorporated herein is approved and adopted as the budget of the District for fiscal year 2020. In the event of recertification of values by the County Assessor's Office after the date of adoption hereof, staff is hereby directed to modify and/or adjust the budget and certification to reflect the recertification without the need for additional Board authorization. Any such modification to the budget or certification as contemplated by this Section 1 shall be deemed ratified by the Board.

Section 2. Levy for General Operating Expenses. For the purpose of meeting all general operating expenses of the District during the 2020 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 3. Levy for Debt Service Obligations. For the purposes of meeting all debt service obligations of the District during the 2020 budget year, there is hereby levied a tax of

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

Section 4. Levy for Contractual Obligation Expenses. For the purposes of meeting all contractual obligations of the District during the 2020 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 5. Levy for Capital Project Expenses. For the purposes of meeting all capital project obligations of the District during the 2020 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 6. Certification to County Commissioners. The Board directs its legal counsel, manager, accountant or other designee to certify to the Board of County Commissioners of Jefferson County, Colorado the mill levies for the District as set forth herein. Such certification shall be in compliance with the requirements of Colorado law.

Section 7. Appropriations. The amounts set forth as expenditures in the budget attached hereto are hereby appropriated.


Section 8. Filing of Budget and Budget Message. The Board hereby directs its legal counsel, manager or other designee to file a certified copy of the adopted budget resolution, the budget and budget message with the Division of Local Government by January 30 of the ensuing year.

Section 9. Budget Certification. The budget shall be certified by a member of the District, or a person appointed by the District, and made a part of the public records of the District.

[Remainder of page intentionally left blank.]

ADOPTED THIS 13th DAY OF NOVEMBER 2019.

THE PLAZA METROPOLITAN DISTRICT NO. 3



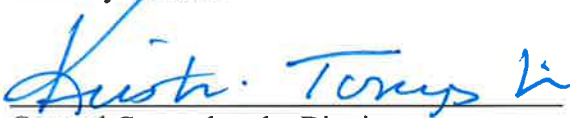
Officer of the District

ATTEST:



APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law



General Counsel to the District

STATE OF COLORADO
COUNTY OF JEFFERSON
THE PLAZA METROPOLITAN DISTRICT NO. 3

I hereby certify that the foregoing resolution constitutes a true and correct copy of the record of proceedings of the Board adopted by a majority of the Board at a District meeting held on Wednesday, November 13, 2019, at 7337 W. Alaska Drive, Suite 200, Lakewood, Colorado, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 13th day of November 2019.



EXHIBIT A
BUDGET DOCUMENT
BUDGET MESSAGE



CliftonLarsonAllen

CliftonLarsonAllen LLP
CLAAconnect.com

Accountant's Compilation Report

Board of Directors
The Plaza Metropolitan District No. 3

Management is responsible for the accompanying budget of revenues, expenditures, and fund balances of the Plaza Metropolitan District No. 3 for the year ending December 31, 2020, including the estimate of comparative information for the year ending December 31, 2019, and the actual comparative information for the year ended December 31, 2018, in the format prescribed by Colorado Revised Statutes (C.R.S.) 29-1-105 and the related summary of significant assumptions in accordance with guidelines for the presentation of a budget established by the American Institute of Certified Public Accountants (AICPA). We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the budget nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the accompanying budget.

The budgeted results may not be achieved as there will usually be differences between the budgeted and actual results, because events and circumstances frequently do not occur as expected, and these differences may be material. We assume no responsibility to update this report for events and circumstances occurring after the date of this report.

We draw attention to the summary of significant assumptions which describe that the budget is presented in accordance with the requirements of C.R.S. 29-1-105, and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

We are not independent with respect to the Plaza Metropolitan District No. 3.

CliftonLarsonAllen LLP

Greenwood Village, Colorado
December 5, 2019

**THE PLAZA METROPOLITAN DISTRICT NO. 3
SUMMARY
2020 BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED
For the Years Ended and Ending December 31,**

12/5/19

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCES	\$ 3,546	\$ 5,265	\$ -
REVENUES			
Property taxes	101,818	112,791	124,485
Specific ownership tax	55,434	48,474	53,529
Interest income	99	600	100
Other revenue	-	-	10,000
Total revenues	<u>157,351</u>	<u>161,865</u>	<u>188,114</u>
Total funds available	<u>160,897</u>	<u>167,130</u>	<u>188,114</u>
EXPENDITURES			
General Fund	-	-	-
Debt Service Fund	155,632	167,130	188,114
Total expenditures	<u>155,632</u>	<u>167,130</u>	<u>188,114</u>
Total expenditures and transfers out requiring appropriation	<u>155,632</u>	<u>167,130</u>	<u>188,114</u>
ENDING FUND BALANCES	<u>\$ 5,265</u>	<u>\$ -</u>	<u>\$ -</u>

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**THE PLAZA METROPOLITAN DISTRICT NO. 3
PROPERTY TAX SUMMARY INFORMATION
2020 BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED
For the Years Ended and Ending December 31,**

12/5/19

ACTUAL	ESTIMATED	BUDGET
2018	2019	2020

ASSESSED VALUATION

Residential	\$ 22,663,916	\$ 22,764,623	\$ 25,494,649
Commercial	514,857	192,186	181,309
State assessed	377,563	531,809	529,332
Vacant land	19,014	19,014	609
	23,575,350	23,507,632	26,205,899
Adjustments	(19,226,272)	(19,069,831)	(21,330,425)
Certified Assessed Value	\$ 4,349,078	\$ 4,437,801	\$ 4,875,474

MILL LEVY

Debt Service	25.416	25.416	25.533
Total mill levy	25.416	25.416	25.533

PROPERTY TAXES

Debt Service	\$ 110,536	\$ 112,791	\$ 124,485
Levied property taxes	110,536	112,791	124,485
Adjustments to actual/rounding	(8,718)	-	-
Budgeted property taxes	\$ 101,818	\$ 112,791	\$ 124,485

BUDGETED PROPERTY TAXES

Debt Service	\$ 101,818	\$ 112,791	\$ 124,485
	\$ 101,818	\$ 112,791	\$ 124,485

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**THE PLAZA METROPOLITAN DISTRICT NO. 3
GENERAL FUND
2020 BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED
For the Years Ended and Ending December 31,**

12/5/19

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
REVENUES			
Total revenues	-	-	-
Total funds available	-	-	-
EXPENDITURES			
Total expenditures	-	-	-
Total expenditures and transfers out requiring appropriation	-	-	-
ENDING FUND BALANCE	\$ -	\$ -	\$ -

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**THE PLAZA METROPOLITAN DISTRICT NO. 3
DEBT SERVICE FUND
2020 BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED
For the Years Ended and Ending December 31,**

12/5/19

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCE	\$ 3,546	\$ 5,265	\$ -
REVENUES			
Property taxes	101,818	112,791	124,485
Specific ownership tax	55,434	48,474	53,529
Interest income	99	600	100
Other revenue	-	-	10,000
Total revenues	157,351	161,865	188,114
Total funds available	160,897	167,130	188,114
EXPENDITURES			
General and administrative			
County Treasurer's fee	1,528	1,692	1,867
Transfers to Plaza Metro District No. 1	154,104	165,438	176,247
Contingency	-	-	10,000
Total expenditures	155,632	167,130	188,114
Total expenditures and transfers out requiring appropriation	155,632	167,130	188,114
ENDING FUND BALANCE	\$ 5,265	\$ -	\$ -

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**THE PLAZA METROPOLITAN DISTRICT NO. 3
2020 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District was organized by Court Order on November 16, 2001, to provide construction, installation, financing and operation of public improvements, including streets, drainage improvements, traffic and safety controls, park and recreation facilities, water, sewer, television relay and translators, mosquito and pest control, and other improvements needed for the Development. The District was organized in conjunction with other related districts, Plaza Metropolitan District No. 1 and Plaza Metropolitan District No. 2. Under the consolidated Service Plan, District No. 1 is to be the Service District and District Nos. 2 and 3 are to be the Financing Districts. The Service District will finance the majority, construct all, and may own and operate some of the public facilities. The Financing Districts will generate the majority of tax revenues sufficient to pay the costs of the capital improvements. The District's service area is located entirely within the City of Lakewood, Jefferson County, Colorado.

On November 6, 2001, District electors approved revenue indebtedness of \$100,000,000 for street improvements, \$7,000,000 for traffic safety, \$25,000,000 for parks and recreation, \$36,000,000 for water supply system, \$35,000,000 for sanitary sewer system, \$12,000,000 for television relay system, \$12,000,000 for public transportation, \$7,000,000 for mosquito control, \$246,000,000 for debt associated with intergovernmental contracts, \$241,000,000 for refinancing of District debt, and \$7,000,000 for general operations and maintenance. The election also approved an annual increase in taxes of \$200,000 for general operations and maintenance, and \$5,000,000 in revenues other than ad valorem taxes.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-10 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.

Under the consolidated Service Plan, the District is limited to the imposition of a mill levy in an amount not to exceed 20 mills; provided, however, that in the event the method of calculating assessed valuation is changed after the date of approval of the Service Plan, the mill levy limitation provided for the District will be automatically increased or decreased to reflect such changes, so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted, are neither diminished nor

**THE PLAZA METROPOLITAN DISTRICT NO. 3
2020 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues – (continued)

enhanced as a result of such changes. For purposes of the foregoing, a change in the ratio of actual valuation to assessed valuation shall be deemed to be a change in the method of calculating assessed valuation. On December 3, 2002, the date of the consolidated Service Plan, the ratio of actual valuation to assessed valuation was 9.15% and currently the ratio is at 7.15%. Due to this ratio change, the District's mill levy was increased to 25.533 mills.

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

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% of the property taxes collected on the gross Assessed Value.

Net Investment Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 1.25%.

Expenditures

Administrative Expenditures

All administrative functions for the District are to be performed by District No. 1.

County Treasurer's Fees

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

Transfers to Other Districts

The District anticipates transferring all tax revenue in the total amount of \$176,247 to District No. 1's debt service fund.

Reserves

Emergency Reserve

Under the consolidated Service Plan and Master Intergovernmental Agreement, the District transfers all of its revenues to District No. 1, which has provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending for 2020, as defined under TABOR.

Debt and Leases

The District has no debt issued and has no operating or capital leases.

This information is an integral part of the accompanying budget.