

**BUDGET RESOLUTION  
(2015)**

---

The Board of Directors of Fossil Ridge Metropolitan District No. 2, County of Jefferson, Colorado (the "District") held a special meeting at 6465 S. Greenwood Plaza Blvd., Suite 700, Centennial, Colorado, on Tuesday, December 9, 2014, at the hour of 10:30 A.M.

The following members of the Board of Directors (the "Board") were present:

John Warnick  
Ashley Snedden  
Neil Simpson  
Marc Savela

Also present were: Kristen D. Bear, Esq., White Bear Ankele Tanaka & Waldron, P.C., District General Counsel; Jennie Heinze, Overlook Property Management, District Manager; Virginia Hemphill, Simmons & Wheeler, P.C., District Accountant.

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.

**NOTICE AS TO PROPOSED 2015 BUDGET**

**The Denver Newspaper Agency**

**PUBLISHER'S AFFIDAVIT**

City and County of Denver )  
State of Colorado )  
)

The undersigned **Jean Birch** being first duly sworn under oath, states and affirms as follows:

1. He/she is the legal Advertising Reviewer of the Denver Newspaper Agency, 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):

December 4, 2014

Jean Birch  
Signature

Subscribed and sworn to before me this 4 day of December, 2014.

Cheryl L. Schmid  
Notary Public

**CHERYL L. SCHMID**  
NOTARY PUBLIC  
STATE OF COLORADO  
NOTARY ID 20094029973  
MY COMMISSION EXPIRES SEPTEMBER 14, 2017

(SEAL)

**NOTICE AS TO PROPOSED 2015 BUDGET AND NOTICE AS TO AMENDED 2014 BUDGET**

NOTICE IS HEREBY GIVEN that proposed budgets have been submitted to the FOSSIL RIDGE METROPOLITAN DISTRICT NOS. 1-3 (collectively the "Districts") for the year of 2015. A copy of each of the proposed budgets is on file in the office of Simmons & Wheeler, P.C., 8005 Chester Street, Suite 150, Centennial, Colorado, where the same are open for public inspection.

NOTICE IS FURTHER GIVEN that amendments to the 2014 budgets have been submitted to the Districts. A copy of each of the proposed amended budgets is on file in the office of Simmons & Wheeler, 8005 Chester Street, Suite 150, Centennial, Colorado, where the same are open for public inspection.

Such proposed budgets and amended budgets will be considered at a special meeting of the Districts to be held at 6465 S. Greenwood Plaza Blvd., Ste. 700, Centennial, Colorado, on **Tuesday, December 9, 2014 at 10:30 A.M.** Any interested elector of the Districts may inspect the proposed budgets and amended budgets and file or register any objections at any time prior to final adoption of the budgets and amended budgets.

BY ORDER OF THE BOARDS OF DIRECTORS:  
FOSSIL RIDGE METROPOLITAN DISTRICT NOS. 1-3

PUBLISHED IN: *Lakewood Hub*  
PUBLISHED ON: Thursday, December 4, 2014

Thereupon, Director Snedden introduced and moved the adoption of the following Resolution:

RESOLUTION

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 2015 AND ENDING ON THE LAST DAY OF DECEMBER 2015.

WHEREAS, the Board has authorized its treasurer, accountant and/or legal counsel 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 December 9, 2014, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, the budget being adopted by the Board has been prepared based on the best information available to the Board regarding the effects of § 29-1-101, *et seq.*, C.R.S., as applicable, and Article X, § 20 of the Colorado Constitution.

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

Section 1. Summary of 2015 Revenues and 2015 Expenditures. The estimated revenues and expenditures for each fund for fiscal year 2015, as more specifically set forth in the budget attached hereto, are accepted and approved.

Section 2. Adoption of Budget. The budget as submitted, amended, attached hereto and incorporated herein is approved and adopted as the budget of the District for fiscal year 2015. 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 2 shall be deemed ratified by the Board.

Section 3. Levy for General Operating Expenses. For the purpose of meeting all general operating expenses of the District during the 2015 budget year, there is hereby levied a tax of five (5.000) mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 4. Levy for Debt Service Obligations. For the purposes of meeting all debt service obligations of the District during the 2015 budget year, there is hereby levied a tax of thirty-five (35.000) mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 5. Levy for Contractual Obligation Expenses. For the purposes of meeting all contractual obligations of the District during the 2015 budget year, there is hereby levied a tax of zero (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 and balances remaining, as specifically allocated in the budget attached hereto and incorporated herein, are hereby appropriated for the purposes thereof and no other.

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 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.

The foregoing Resolution was seconded by Director Simpson.

*[Remainder of page intentionally left blank].*

RESOLUTION APPROVED AND ADOPTED THIS 9<sup>TH</sup> DAY OF DECEMBER, 2014.

FOSSIL RIDGE METROPOLITAN DISTRICT NO. 2

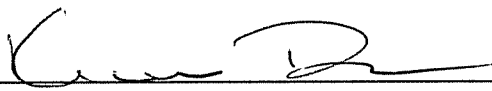
  
\_\_\_\_\_  
Officer of District

ATTEST:

  
\_\_\_\_\_

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys at Law

  
\_\_\_\_\_

General Counsel to the District

STATE OF COLORADO  
COUNTY OF ARAPAHOE  
FOSSIL RIDGE METROPOLITAN DISTRICT NO. 2

I hereby certify that the foregoing resolution constitutes a true and correct copy of the record of proceedings of the Board adopted at a District meeting held on Tuesday, December 9, 2014, at 6465 S. Greenwood Plaza Blvd., Suite 700, Centennial, Colorado, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 9<sup>th</sup> day of December, 2014.



A handwritten signature in cursive script, appearing to read "A. Meymedde", is written over a horizontal line.



**EXHIBIT A**  
**BUDGET DOCUMENT**  
**BUDGET MESSAGE**

**FOSSIL RIDGE METROPOLITAN DISTRICT NO. 2**  
**2015**  
**BUDGET MESSAGE**

Attached please find a copy of the adopted 2015 budget for Fossil Ridge Metropolitan District No. 2.

The Fossil Ridge Metropolitan District No. 2 has adopted two separate funds, a General Fund to provide for transfers to Fossil Ridge Metropolitan District No. 1 for the payment of operating, grounds, retreat, utilities and sewer operations expenditures; and a Debt Service Fund to provide for transfers to Fossil Ridge Metropolitan District No. 1 for the payments on the outstanding revenue refunding bonds and transfers to Fossil Ridge Metropolitan District No. 3 for the payments on the proposed bond issuance.

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

The primary source of revenues for the District in 2015 will be property taxes. The District intends to impose a 40.000 mill levy on the property within the District for 2015, of which 5.000 mills will be dedicated to the General Fund and the balance of 35.000 mills will be allocated to the Debt Service Fund.

**Fossil Ridge Metropolitan District No. 2**  
**Adopted Budget**  
**General Fund**  
**For the Year ended December 31, 2015**

	Actual <u>2013</u>	Adopted Budget <u>2014</u>	Actual <u>6/30/2014</u>	Estimate <u>2014</u>	Adopted Budget <u>2015</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues:					
Property taxes	-	-	-	-	78,078
Specific ownership taxes	-	-	-	-	6,247
Developer advances	-	-	-	-	-
Interest income	-	-	-	-	-
Total revenues	-	-	-	-	84,325
Total funds available	-	-	-	-	84,325
Expenditures:					
Accounting / audit	-	-	-	-	-
Legal	-	-	-	-	-
Insurance	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Engineering	-	-	-	-	-
Directors fees	-	-	-	-	-
Treasurer fees	-	-	-	-	1,171
Transfer to District #1	-	-	-	-	83,154
Contingency	-	-	-	-	-
Emergency reserve (3%)	-	-	-	-	-
Total expenditures	-	-	-	-	84,325
Ending fund balance	-	-	-	-	-
Assessed valuation	<u>\$ 11,679,755</u>	<u>\$ 13,648,409</u>	<u>\$ 13,648,409</u>	<u>\$ 13,648,409</u>	<u>\$ 15,615,700</u>
Mill Levy	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>5.000</u>

**Fossil Ridge Metropolitan District No. 2**  
**Adopted Budget**  
**Debt Service Fund**  
**For the Year ended December 31, 2015**

	Actual <u>2013</u>	Adopted Budget <u>2014</u>	Actual <u>6/30/2014</u>	Estimate <u>2014</u>	Adopted Budget <u>2015</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues:					
Property taxes	350,391	409,452	406,848	409,452	546,550
Specific ownership taxes	25,971	28,662	15,510	28,662	38,259
Transfer from Capital Projects Fund	-	400,000	-	-	-
Transfer from District No. 3	-	-	-	-	-
Interest income	408	886	14	886	191
<b>Total revenues</b>	<b>376,770</b>	<b>839,000</b>	<b>422,372</b>	<b>439,000</b>	<b>585,000</b>
<b>Total funds available</b>	<b>376,770</b>	<b>839,000</b>	<b>422,372</b>	<b>439,000</b>	<b>585,000</b>
Expenditures:					
Bond interest - 2014 bonds	-	175,000	-	-	-
Bond principal - 2014 bonds	-	-	-	-	-
Bond interest - 2015 bonds	-	-	-	-	-
Bond principal - 2015 bonds	-	-	-	-	-
Treasurer's fees	5,262	6,142	6,103	6,142	8,201
Transfer to District #1	371,508	255,858	416,269	428,858	357,613
Transfer to District #3 (pledge)	-	-	-	-	215,186
Miscellaneous expense	-	2,000	-	4,000	4,000
Trustee/paying agent fees	-	-	-	-	-
<b>Total expenditures</b>	<b>376,770</b>	<b>439,000</b>	<b>422,372</b>	<b>439,000</b>	<b>585,000</b>
Ending fund balance	\$ -	\$ 400,000	\$ -	\$ -	\$ -
Assessed valuation	\$ 11,679,755	\$ 13,648,409	\$ 13,648,409	\$ 13,648,409	\$ 15,615,700
Mill Levy	30.000	30.000	30.000	30.000	35.000
<b>Total Mill Levy</b>	<b>30.000</b>	<b>30.000</b>	<b>30.000</b>	<b>30.000</b>	<b>40.000</b>