

RESOLUTION
ADOPTING BUDGET, APPROPRIATING FUNDS AND CERTIFYING MILL LEVIES
FOR THE CALENDAR YEAR 2023

The Board of Directors of Powhaton Road Metropolitan District No. 2 (the “**Board**”), City of Aurora, Arapahoe County, Colorado (the “**District**”), held a regular meeting, via teleconference on November 1, 2022, at the hour of 4:30 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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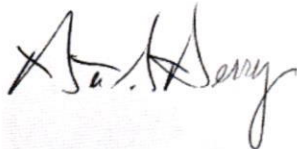
NOTICE AS TO PROPOSED 2023 BUDGET

SENTINEL
PROOF OF PUBLICATION

STATE OF COLORADO
COUNTY OF ARAPAHOE }ss.

I DAVID L. PERRY, do solemnly swear that I am the PUBLISHER of the SENTINEL; that the same is a weekly newspaper published in the County of Arapahoe, State of Colorado and has a general circulation therein; that said newspaper has been published continuously and uninterruptedly in said County of Arapahoe for a period of more than fifty-two consecutive weeks prior to the first publication of the annexed legal notice or advertisement; that said newspaper has been admitted to the United States mails as second-class matter under the provisions of the Act of March 30, 1923, entitled "Legal Notices and Advertisements," or any amendments thereof, and that said newspaper is a weekly newspaper duly qualified for publishing legal notices and advertisements within the meaning of the laws of the State of Colorado. That the annexed legal notice or advertisement was published in the regular and entire issue of every number of said weekly newspaper for the period of 1 consecutive insertions; and that the first publication of said notice was in the issue of said newspaper dated October 27 A.D. 2022 and that the last publication of said notice was in the issue of said newspaper dated October 27 A.D. 2022.

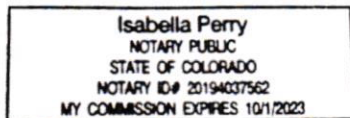
I witness whereof I have hereunto set my hand this 27th day of October A.D. 2022.



Subscribed and sworn to before me, a notary public in the County of Arapahoe, State of Colorado, this 27th day of October A.D. 2022.



Notary Public



NOTICE OF PUBLIC HEARING
ON THE AMENDED 2022 BUDGETS
AND NOTICE OF PUBLIC HEARING
ON THE PROPOSED 2023 BUDGETS

NOTICE IS HEREBY GIVEN that the Boards of Directors (collectively the "Boards") of the POWHATON ROAD METROPOLITAN DISTRICT NOS. 1-4 AND 7 (collectively the "Districts"), will hold a meeting via teleconference on November 1, 2022 at 4:30 P.M., for the purpose of conducting such business as may come before the Boards including a public hearing on the 2023 proposed budgets (the "Proposed Budgets"). The necessity may also arise for an amendment to the 2022 budgets (the "Amended Budgets"). This meeting can be joined using the following teleconference information:

Join Zoom Meeting
<https://us06web.zoom.us/j/87153319934?pwd=K29ORmVqcml2MUQrcjhCeklNU3JUZZ09>
Meeting ID: 871 5331 9934
Passcode: 956724
Call-In Number: 720-707-2699

NOTICE IS FURTHER GIVEN that the Proposed Budgets and Amended Budgets (if applicable) have been submitted to the Districts. A copy of the Proposed Budgets and Amended Budgets are on file in the office of Simmons & Wheeler, 304 Inverness Way S #490, Englewood, CO 80112, where the same are open for public inspection.

Any interested elector of the Districts may file any objections to the Proposed Budgets and Amended Budgets at any time prior to final adoption of the Proposed Budgets or the Amended Budgets by the Boards. This meeting is open to the public and the agenda for any meeting may be obtained by calling (303) 858-1800.

BY ORDER OF THE
BOARD OF DIRECTORS:
POWHATON ROAD
METROPOLITAN DISTRICT NOS. 1-4
AND 7, quasi-municipal corporations
and political subdivisions of the State of
Colorado
/s/ WHITE BEAR ANKELE TANAKA &
WALDRON
Attorneys at Law

Publication: October 27, 2022
Sentinel

WHEREAS, the Board has designated 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 and interested electors were given the opportunity to register their protest to the proposed budget prior to the 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 2023. 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 2023 budget year, there is hereby levied a tax of 18.000 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 2023 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 4. Levy for Contractual Obligation Expenses. For the purposes of meeting all contractual obligations of the District during the 2023 budget year, there is hereby levied a tax of 43.132 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 2023 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. Mill Levy Adjustment. When developing the attached budget, consideration was given to any changes in the method of calculating assessed valuation, including any changes to the assessment ratios, or any constitutionally mandated tax credit, cut or abatement, as authorized in the District's service plan. The Board hereby determines in good faith (such determination to be binding and final), that to the extent possible, the adjustments to the mill levies made to account for changes in Colorado law described in the prior sentence, and the actual tax revenues generated by the mill levies, are neither diminished nor enhanced as a result of those changes.

Section 7. Certification to County Commissioners. The Board directs its legal counsel, manager, accountant or other designee to certify to the Board of County Commissioners of Arapahoe 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 8. Appropriations. The amounts set forth as expenditures in the budget attached hereto are hereby appropriated.

Section 9. 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 10. 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.

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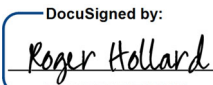
ADOPTED NOVEMBER 1, 2022.

DISTRICT:

POWHATON ROAD METROPOLITAN DISTRICT NO. 2, a quasi-municipal corporation and political subdivision of the State of Colorado


By:  _____
Officer of the District

Attest:

By:  _____
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APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

 _____
General Counsel to the District

STATE OF COLORADO
COUNTY OF ARAPAHOE
POWHATON ROAD 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 by a majority of the Board at a District meeting held via teleconference on Tuesday, November 1, 2022, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this ___ day of
11/17/2022, 2022.

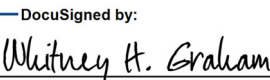
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EXHIBIT A
BUDGET DOCUMENT
BUDGET MESSAGE

POWHATON ROAD METROPOLITAN DISTRICT NO. 2
FKA SAND CREEK RANCH METROPOLITAN DISTRICT NO. 2
2023
BUDGET MESSAGE

Attached please find a copy of the adopted 2023 budget for the Powhatan Road Metropolitan District No. 2.

The Powhatan Road Metropolitan District No. 2 has adopted budgets for two funds, a General Fund to provide for the payment of general operating expenditures and transfers to Powhatan Road Community Authority; and a Debt Service Fund to provide for transfers to Powhatan Road Community Authority for payments on the general obligation debt.

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 revenue for the district in 2023 will be property taxes. The district intends to impose a 61.132 mill levy on the property within the district for 2023, of which 19.132 mills will be dedicated to the General Fund and the balance of 42.000 mills will be allocated to the Debt Service Fund. 1.132 mill in the General Fund is restricted for regional improvements per an intergovernmental agreement with the City of Aurora.

Powhatan Road Metropolitan District No. 2
FKA Sand Creek Ranch Metropolitan District No. 2
Adopted Budget
General Fund
For the Year ended December 31, 2023

	Actual <u>2021</u>	Adopted Budget <u>2022</u>	Actual <u>6/30/2022</u>	Estimate <u>2022</u>	Adopted Budget <u>2023</u>
Beginning fund balance	\$ 42,334	\$ -	\$ -	\$ -	\$ -
Revenues:					
Property taxes	147,396	252,739	249,394	252,739	284,003
Specific ownership taxes	10,160	20,219	7,780	15,000	22,721
Property taxes ARI	-	14,392	14,202	14,392	17,861
Specific ownership taxes ARI	-	1,151	443	1,400	1,429
Facility fees	441,000	420,000	-	-	-
Interest income	<u>132</u>	<u>-</u>	<u>38</u>	<u>100</u>	<u>-</u>
Total revenues	<u>598,688</u>	<u>708,501</u>	<u>271,857</u>	<u>283,631</u>	<u>326,014</u>
Total funds available	<u>641,022</u>	<u>708,501</u>	<u>271,857</u>	<u>283,631</u>	<u>326,014</u>
Expenditures:					
Treasurer fees	2,213	3,792	1,926	1,950	4,261
Treasurer fees ARI	-	217	128	130	269
Transfer to Powhatan Community Authority	48,066	261,668	255,286	265,889	295,491
Transfer Facility Fees	580,799	420,000	-	-	-
ARI Mill levy transfer	9,944	15,326	14,517	15,662	19,021
Contingency	-	6,844	-	-	6,844
Emergency reserve (3%)	<u>-</u>	<u>114</u>	<u>-</u>	<u>-</u>	<u>128</u>
Total expenditures	<u>641,022</u>	<u>707,961</u>	<u>271,857</u>	<u>283,631</u>	<u>326,014</u>
Ending fund balance	<u>\$ -</u>	<u>\$ 540</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Assessed valuation	<u>\$ -</u>	<u>\$ 14,041,045</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,777,975</u>
Mill Levy	<u>-</u>	<u>18.000</u>	<u>-</u>	<u>-</u>	<u>18.000</u>
ARI Mill levy	<u>-</u>	<u>1.025</u>	<u>-</u>	<u>-</u>	<u>1.132</u>

Powhatan Road Metropolitan District No. 2
FKA Sand Creek Ranch Metropolitan District No. 2
Adopted Budget
Debt Service Fund
For the Year ended December 31, 2023

	Actual <u>2021</u>	Adopted Budget <u>2022</u>	Actual <u>6/30/2022</u>	Estimate <u>2022</u>	Adopted Budget <u>2023</u>
Beginning fund balance	\$ 1,954,378	\$ 1,910,423	\$ 1,910,423	\$ 1,910,423	\$ -
Revenues:					
Property taxes	471,792	781,581	771,239	781,581	662,675
Specific ownership taxes	32,521	62,972	24,059	50,000	53,460
Interest income	<u>1,034</u>	<u>5,000</u>	<u>111</u>	<u>300</u>	<u>5,000</u>
Total revenues	<u>505,347</u>	<u>849,553</u>	<u>795,409</u>	<u>831,881</u>	<u>721,135</u>
Total funds available	<u>2,459,725</u>	<u>2,759,976</u>	<u>2,705,832</u>	<u>2,742,304</u>	<u>721,135</u>
Expenditures:					
Interest expense senior bonds	535,219	535,219	267,609	-	-
Interest expense subordinate bonds	-	295,110	-	-	-
Transfer to Authority	-	-	-	2,723,080	703,695
Treasurer's fees	7,083	11,724	11,570	11,724	9,940
Trustee / paying agent fees	<u>7,000</u>	<u>7,500</u>	<u>7,000</u>	<u>7,500</u>	<u>7,500</u>
Total expenditures	<u>549,302</u>	<u>849,553</u>	<u>286,179</u>	<u>2,742,304</u>	<u>721,135</u>
Ending fund balance	<u>\$ 1,910,423</u>	<u>\$ 1,910,423</u>	<u>\$ 2,419,653</u>	<u>\$ -</u>	<u>\$ -</u>
Assessed valuation	<u>\$ -</u>	<u>\$ 14,041,045</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,777,975</u>
Mill Levy		<u>55.664</u>			<u>42.000</u>
Total Mill Levy		<u>74.689</u>			<u>61.132</u>