

LETTER OF BUDGET TRANSMITTAL

Date: January 20, 2022

To: Division of Local Government
1313 Sherman Street, Room 521
Denver, Colorado 80203

Attached are the 2022 budget and budget message for ATEC METROPOLITAN DISTRICT NO. 2 Adams County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on November 4, 2021. If there are any questions on the budget, please contact:

CliftonLarsonAllen LLP
Attn: Denise Denslow, District Manager
8390 E. Crescent Parkway, Suite 300
Greenwood Village, CO 80111
Telephone number: 303-779-5710
Denise.denslow@claconnect.com

I, Denise Denslow, District Manager of the ATEC Metropolitan District No. 2 hereby certify that the attached is a true and correct copy of the 2022 budget.

By: 

Denise Denslow, District Manager

RESOLUTION NO. 2021-11-02

**RESOLUTION TO ADOPT BUDGET AND APPROPRIATE SUMS OF MONEY
RESOLUTION OF THE BOARD OF DIRECTORS OF**

**ATEC METROPOLITAN DISTRICT NO. 2, ADAMS COUNTY, COLORADO,
PURSUANT TO SECTION 29-1-108, C.R.S., SUMMARIZING EXPENDITURES AND
REVENUES FOR EACH FUND, ADOPTING A BUDGET AND APPROPRIATING
SUMS OF MONEY FOR THE BUDGET YEAR 2022**

A. The Board of Directors of ATEC Metropolitan District No. 2 (the “**District**”) has appointed CliftonLarsonAllen LLP to prepare and submit a proposed budget to said governing body at the proper time.

B. CliftonLarsonAllen LLP has submitted a proposed budget to this governing body for its consideration.

C. Upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on November 4, 2021, and interested taxpayers were given the opportunity to file or register any objections to said proposed budget.

D. The budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, reserve transfers and expenditure exemptions, under Article X, Section 20 of the Colorado Constitution (“**TABOR**”) and other laws or obligations which are applicable to or binding upon the District.

E. Whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law.

F. The Board of Directors has made provision therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget.

G. It is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, thereby establishing a limitation on expenditures for the operations of the District.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF
ATEC METROPOLITAN DISTRICT NO. 2, ADAMS COUNTY, COLORADO:**

1. The budget, as submitted, amended, and summarized by fund, is hereby approved and adopted as the budget of the District for the year stated above.

2. The budget is hereby approved and adopted, shall be certified by the Secretary of the District to all appropriate agencies and is made a part of the public records of the District.

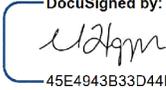
3. The sums set forth as the total expenditures of each fund in the budget attached hereto as **Exhibit A** and incorporated herein by reference are hereby appropriated from the revenues of each fund, within each fund, for the purposes stated.

[SIGNATURE PAGE FOLLOWS]

**[SIGNATURE PAGE TO RESOLUTION TO ADOPT BUDGET AND
APPROPRIATE SUMS OF MONEY]**

RESOLUTION APPROVED AND ADOPTED ON NOVEMBER 4, 2021.

**ATEC METROPOLITAN DISTRICT
NO. 2**

By:  _____
DocuSigned by:
45E4943B33D44F2...
President

Attest:

By:  _____
DocuSigned by:
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Secretary

EXHIBIT A

Budget

ATEC METROPOLITAN DISTRICT NO. 2
ANNUAL BUDGET
FOR YEAR ENDING DECEMBER 31, 2022

**ATEC METROPOLITAN DISTRICT NO. 2
GENERAL FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

12/3/21

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
REVENUES			
Property taxes	-	107	1
Specific ownership taxes	-	17	-
Other revenue	-	-	500
Total revenues	<u>-</u>	<u>124</u>	<u>501</u>
Total funds available	<u>-</u>	<u>124</u>	<u>501</u>
EXPENDITURES			
Contingency	-	-	500
County Treasurer's Fees	-	2	-
Intergovernmental transfer - CAB	-	122	1
Total expenditures	<u>-</u>	<u>124</u>	<u>501</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**ATEC METROPOLITAN DISTRICT NO. 2
PROPERTY TAX SUMMARY INFORMATION
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

12/3/21

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
ASSESSED VALUATION			
Agricultural	\$ 3,030	\$ 40	\$ 40
Certified Assessed Value	\$ 3,030	\$ 40	\$ 40
 MILL LEVY			
General	35.000	35.000	35.000
Total mill levy	35.000	35.000	35.000
 PROPERTY TAXES			
General	\$ 106	\$ 1	\$ 1
Levied property taxes	106	1	1
Adjustments to actual/rounding	(106)	-	-
Prior year taxes	-	106	-
Budgeted property taxes	\$ -	\$ 107	\$ 1
 BUDGETED PROPERTY TAXES			
General	\$ -	\$ 107	\$ 1
	\$ -	\$ 107	\$ 1

No assurance provided. See summary of significant assumptions.

**ATEC METROPOLITAN DISTRICT NO. 2
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

ATEC Metropolitan District No. 2 (the "District"), a quasi-municipal corporation, is governed pursuant to provisions of the Colorado Special District Act. The District's service area is located in Adams County, Colorado. Concurrently with the formation of the District, the City of Aurora (the "City") approved the formation of ATEC Metropolitan District No. 1 (the "ATEC Districts"). The District was organized on November 19, 2019. The District was established to provide public streets, traffic and safety, water, sanitary and storm sewer, park and recreation, public transportation, communications systems, fire protection, security improvements, television relay and translation, and mosquito control facilities and improvements for the use and benefit of the inhabitants and taxpayers of the District.

On November 5, 2019, the District's voters authorized total general obligation indebtedness of \$56,000,000,000 for the above listed facilities and powers but, the District's Service Plan limits the total indebtedness to \$4,000,000,000, with a maximum debt mill levy of 50.000 mills, subject to changes in the method of calculating residential assessed valuation. The maximum debt service mill levy shall not apply to the District's ability to increase its mill levy necessary for the provision of operations and maintenance services. The Service Plan also restricts the District's powers for fire protection, television relay and translation, and golf course construction unless the District enters into an agreement with the City allowing for these powers.

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 Section 29-1-105, C.R.S., 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.

The budgets are in accordance with the TABOR Amendment limitation. Emergency reserves required under TABOR have been provided.

On November 21, 2019, the ATEC Districts, AACMD and The Aurora Highlands Metropolitan District Nos. 1-3 (collectively, the "CAB Districts") formed The Aurora Highlands Community Authority Board ("CAB") pursuant to intergovernmental agreement to govern the relationships between and among the CAB Districts with respect to the financing, construction, and operation of public improvements within their combined service area. It is anticipated that one or more of the CAB Districts may enter into additional intergovernmental agreements concerning the financing, construction, and operations of public improvements benefiting the CAB Districts and their residents and owners.

**ATEC METROPOLITAN DISTRICT NO. 2
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

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.

The calculation of the taxes levied is displayed on the Property Tax Summary page of the budget.

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 7% of the property taxes collected. No specific ownership taxes have been budgeted due to the low amount of taxes levied.

Expenditures

County Treasurer's Fees

County Treasurer's collection fees have been computed at 1.5% of property taxes. No County Treasurer's Fees have been budgeted due to the low amount of taxes levied.

Administrative Expenditures

The District is a member of the CAB. The CAB will provide all of the operating and administrative expenditures, which include the services necessary to maintain the District's administrative viability such as legal, accounting, insurance, meeting expense, and other administrative expenditures.

Intergovernmental Transfer CAB

On June 30, 2020, the CAB and the CAB Districts entered into the Mill Levy Policy Agreement. Pursuant to the Mill Levy Policy Agreement, the District agrees to ensure that the mill levies determined by the CAB each year are imposed and transferred to the CAB in accordance with the Capital Pledged Agreement (described below).

**ATEC METROPOLITAN DISTRICT NO. 2
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures (Continued)

On June 30, 2020, the District entered into the Capital Pledge Agreements (the CPA) with the CAB and Zions Bancorporation, National Association, in its capacity as trustee under the 2020A and 2020B Bonds Indentures (“the Indentures”). On October 28, 2021, the CPA was terminated as a part of the 2021 Series A and 2021 Series B Bond issuances, and the Revenue Pledge Agreement was approved (the “RPA”). Per the RPA, the District agrees to pay such portion of their operations and financing costs as may be funded with the District’s Pledged Revenue and Subordinate Pledged Revenue to the extent available to the Districts pursuant to the provisions of the RPA and the Amended Mill Levy Policy Agreement.

Debt and Leases

The District has no debt 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 all net revenue is transfer to the CAB, the Emergency Reserve for 2022, as defined under TABOR, is reflected in the CAB.

This information is an integral part of the accompanying budget.

I, Denise Denslow, hereby certify that I am the duly appointed Secretary of the ATEC Metropolitan District No. 2, and that the foregoing is a true and correct copy of the budget for the budget year 2022, duly adopted at a meeting of the Board of Directors of the ATEC Metropolitan District No. 2 held on November 4, 2021.

DocuSigned by:
Denise Denslow
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Secretary

RESOLUTION NO. 2021-11-03

RESOLUTION TO SET MILL LEVIES

RESOLUTION OF ATEC METROPOLITAN DISTRICT NO. 2 LEVYING GENERAL PROPERTY TAXES, PURSUANT TO SECTION 39-1-111, C.R.S., FOR THE YEAR 2021, TO HELP DEFRAY THE COSTS OF GOVERNMENT FOR THE 2022 BUDGET YEAR

A. The Board of Directors of ATEC Metropolitan District No. 2 (the “**District**”) has adopted an annual budget in accordance with the Local Government Budget Law, on November 4, 2021.

B. The adopted budget is attached as Exhibit A to the Resolution of the Board of Directors of the District to Adopt Budget and Appropriate Sums of Money, and such budget is incorporated herein by this reference.

C. The amount of money necessary to balance the budget for general fund expenses from property tax revenue is identified in the budget.

D. The amount of money necessary to balance the budget for debt service fund expenses from property tax revenue is identified in the budget.

NOW, THEREFORE, PURSUANT TO SECTIONS 39-1-111(5) and 39-5-128(1), C.R.S., BE IT RESOLVED by the Board of Directors of ATEC Metropolitan District No. 2, Adams County, Colorado, that:

1. For the purpose of meeting all general operating expenses of the District during the 2022 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

2. That for the purpose of meeting all debt retirement expenses of the District during the 2022 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

3. That for the purpose of meeting all contractual obligation expenses of the District during the 2022 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

4. That the Secretary is hereby authorized and directed to immediately certify to the Board of County Commissioners of Adams County, Colorado, the mill levies for the District as set forth in the District’s Certification of Mill Levies, attached hereto as **Exhibit 1** and incorporated herein by reference, recalculated as needed upon receipt of the final certification of valuation from the County Assessor in order to comply with any applicable revenue and other budgetary limits.

[SIGNATURE PAGE OF RESOLUTION TO SET MILL LEVIES]

RESOLUTION APPROVED AND ADOPTED ON NOVEMBER 4, 2021.

**ATEC METROPOLITAN DISTRICT
NO. 2**

By:  _____
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President

Attest:

By:  _____
DocuSigned by:
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Secretary

EXHIBIT 1

Certification of Tax Levies

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of ADAMS COUNTY, Colorado.

On behalf of the ATEC METROPOLITAN DISTRICT NO. 2,
(taxing entity)^A

the BOARD OF DIRECTORS
(governing body)^B

of the ATEC METROPOLITAN DISTRICT NO. 2
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 40 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 40 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/03/2021 for budget/fiscal year 2022.
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	<u>35.000</u> mills	<u>\$ 1</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	35.000 mills	\$ 1
3. General Obligation Bonds and Interest ^J	_____ mills	\$ _____
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	35.000 mills	\$ 1

Contact person: (print) Debra L. Sedgeley Daytime phone: (303) 779-5710
Signed: _____ Title: Accountant for the District

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

¹ If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's **FINAL** certification of valuation).

CERTIFICATION OF TAX LEVIES, continued

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.). Taxing entities that are

Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS^J:

1. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

2. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

CONTRACTS^K:

3. Purpose of Contract: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

4. Purpose of Contract: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

I, Denise Denslow, hereby certify that I am the duly appointed Secretary of ATEC Metropolitan District No. 2, and that the foregoing is a true and correct copy of the Certification of Mill Levies for the budget year 2022, duly adopted at a meeting of the Board of Directors of ATEC Metropolitan District No. 2 held on November 4, 2021.

DocuSigned by:
Denise Denslow
77517AF6E925439...
Secretary

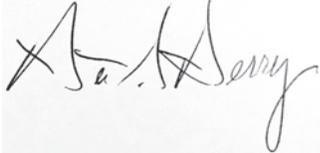
SENTINEL
PROOF OF PUBLICATION

STATE OF COLORADO
COUNTY OF ARAPAHOE }ss.

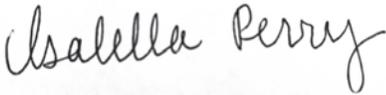
I DAVID PERRY, do solemnly swear that I am the PUBLISHER of the SENTINEL; that the same is a weekly newspaper published in the Counties of Arapahoe, Adams, and Denver, State of Colorado and has a general circulation therein; that said newspaper has been published continuously and uninterruptedly in said Counties of Arapahoe, Adams and Denver 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 1 of consecutive insertions; and that the first publication of said notice was in the issue of said newspaper dated October 28 A.D. 2021 and that the last publication of said notice was in the issue of said newspaper dated October 28A.D. 2021.

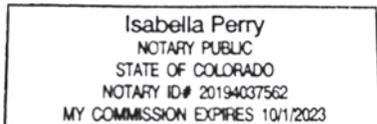
I witness whereof I have hereunto set my hand this 10th day of January A.D. 2022.



Subscribed and sworn to before me, a notary public in the County of Arapahoe, State of Colorado, this 10th day of January A.D. 2022.



Notary Public



NOTICE AS TO PROPOSED 2022
BUDGETS
AND AMENDMENT OF 2021 BUDGETS
ATEC METROPOLITAN DISTRICT NOS.
1 & 2
ADAMS COUNTY, COLORADO

NOTICE IS HEREBY GIVEN, pursuant to Sections 29-1-108 and 109, C.R.S., that proposed budgets have been submitted to the Boards of Directors of the ATEC Metropolitan District Nos. 1 & 2 (the "Districts") for the ensuing year of 2022. The necessity may also arise for the amendment of the 2021 budgets of the Districts. Copies of the proposed 2022 budgets and 2021 amended budgets (if appropriate) are on file in the office of the Districts' Accountant, CliftonLarsonAllen LLP, 8390 E. Crescent Parkway, Suite 300, Greenwood Village, Colorado, where same are available for public inspection. Such proposed 2022 budgets and 2021 amended budgets will be considered at special meetings to be held on November 4, 2021 at 3:00 p.m. at the Information Center, 3900 E. 470 Beltway, Aurora, Colorado 80019 and via Zoom video/teleconference. Any interested elector within the Districts may, at any time prior to the final adoption of the 2022 budgets or the 2021 amended budgets, inspect the 2022 budgets and the 2021 amended budgets and file or register any objections thereto.

Members of the public are encouraged, but not required to participate by telephone or videoconference in one of the following ways:

1. To attend via Zoom Videoconference, e-mail Kathy.suazo@claconnect.com to obtain a link to the videoconference.
2. To attend via telephone, dial 1-720-707-2699 and enter the following additional information:
 - a. Meeting ID: 843 7164 9907
 - b. Passcode: 346257

ATEC METROPOLITAN
DISTRICT NOS. 1 & 2
/s/ Denise Denslow
District Manager

Publication: October 28, 2021
Sentinel