

LETTER OF BUDGET TRANSMITTAL

Date: January 25, 2024

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

Attached are the 2024 budget and budget message for the HM METROPOLITAN DISTRICT NO. 2, Adams County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on December 6, 2023. If there are any questions on the budget, please contact:

CliftonLarsonAllen LLP
Attn: Matthew Urkoski, District Manager
8390 E. Crescent Parkway, Suite 300
Greenwood Village, CO 80111
Telephone number: 303-779-5710
Matt.urkoski@claconnect.com

I, Matthew Urkoski, District Manager of the HM Metropolitan District No. 2 hereby certify that the attached is a true and correct copy of the 2024 budget.

By:



Matthew Urkoski, District Manager

RESOLUTION NO. 2023-12-02

**RESOLUTION TO ADOPT BUDGET AND APPROPRIATE SUMS OF MONEY
RESOLUTION OF THE BOARD OF DIRECTORS OF HM 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 2024**

- A. The Board of Directors of HM 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 on or before October 15, 2023 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 December 6, 2023, 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 HM 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 TO RESOLUTION TO ADOPT
BUDGET AND APPROPRIATE SUMS OF MONEY]**

RESOLUTION APPROVED AND ADOPTED on December 6, 2023.

HM METROPOLITAN DISTRICT NO. 2

By: DocuSigned by:
Rick Wells
CF03C47AAG354F...

President

Attest:

By: DocuSigned by:
Mark Throckmorton
315BFFBF1C40404...

Secretary

EXHIBIT A

Budget

HM METROPOLITAN DISTRICT NO. 2
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2024

**HM METROPOLITAN DISTRICT NO. 2
SUMMARY
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

12/21/23

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 65,020,102	\$ 48,286,970	\$ 37,378,621
REVENUES			
Property taxes	-	-	226
Specific ownership taxes	-	-	16
Interest income	876,164	2,180,000	1,190,000
Other revenue	-	-	44
Developer advance	4,476	-	-
Total revenues	<u>880,640</u>	<u>2,180,000</u>	<u>1,190,286</u>
Total funds available	<u>65,900,742</u>	<u>50,466,970</u>	<u>38,568,907</u>
EXPENDITURES			
General Fund	-	-	100
Debt Service Fund	4,000	4,000	4,003
Capital Projects Fund	17,609,772	13,084,349	24,000,000
Total expenditures	<u>17,613,772</u>	<u>13,088,349</u>	<u>24,004,103</u>
Total expenditures and transfers out requiring appropriation	<u>17,613,772</u>	<u>13,088,349</u>	<u>24,004,103</u>
ENDING FUND BALANCES	<u>\$ 48,286,970</u>	<u>\$ 37,378,621</u>	<u>\$ 14,564,804</u>

**HM METROPOLITAN DISTRICT NO. 2
PROPERTY TAX SUMMARY INFORMATION
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

12/21/23

ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
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ASSESSED VALUATION

Agricultural	\$ 10	\$ 10	\$ 4,850
State assessed	-	-	440
Certified Assessed Value	\$ 10	\$ 10	\$ 5,290

MILL LEVY

General	0.000	0.000	5.000
Debt Service	30.000	30.000	32.806
ARI	5.000	5.000	5.000
Total mill levy	35.000	35.000	42.806

PROPERTY TAXES

General	\$ -	\$ -	\$ 26
Debt Service	-	-	174
ARI	-	-	26
Budgeted property taxes	\$ -	\$ -	\$ 226

BUDGETED PROPERTY TAXES

General	\$ -	\$ -	\$ 26
Debt Service	-	-	173
ARI	-	-	26
Budgeted property taxes	\$ -	\$ -	\$ 226

**HM METROPOLITAN DISTRICT NO. 2
GENERAL FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

12/21/23

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ (4,476)	\$ -	\$ -
REVENUES			
Property taxes	-	-	52
Specific ownership taxes	-	-	4
Other revenue	-	-	44
Developer advance	4,476	-	-
Total revenues	4,476	-	100
Total funds available	-	-	100
EXPENDITURES			
General and administrative			
County Treasurer's fees	-	-	1
Transfers to District No. 1	-	-	28
Transfers to 64th Ave ARI Authority	-	-	28
Contingency	-	-	43
Total expenditures	-	-	100
Total expenditures and transfers out requiring appropriation	-	-	100
ENDING FUND BALANCES	\$ -	\$ -	\$ -

**HM METROPOLITAN DISTRICT NO. 2
DEBT SERVICE FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

12/21/23

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 6,868,822	\$ 6,977,935	\$ 7,303,935
REVENUES			
Property taxes	-	-	174
Specific ownership taxes	-	-	12
Interest income	113,113	330,000	360,000
Total revenues	113,113	330,000	360,186
Total funds available	6,981,935	7,307,935	7,664,121
EXPENDITURES			
General and administrative			
County Treasurer's fees	-	-	3
Paying agent fees	4,000	4,000	4,000
Total expenditures	4,000	4,000	4,003
Total expenditures and transfers out requiring appropriation	4,000	4,000	4,003
ENDING FUND BALANCES	\$ 6,977,935	\$ 7,303,935	\$ 7,660,118

**HM METROPOLITAN DISTRICT NO. 2
CAPITAL PROJECTS FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

12/21/23

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 58,155,756	\$ 41,309,035	\$ 30,074,686
REVENUES			
Interest income	763,051	1,850,000	830,000
Total revenues	<u>763,051</u>	<u>1,850,000</u>	<u>830,000</u>
Total funds available	<u>58,918,807</u>	<u>43,159,035</u>	<u>30,904,686</u>
EXPENDITURES			
General and administrative			
Bond issue costs	71,910	-	-
Repay Developer advance	100,088	-	-
Contingency	-	-	1,661,000
Capital Projects			
Transfers to District No. 1	17,437,774	12,000,000	22,200,000
Transfers to 64th Ave ARI Authority	-	1,084,349	139,000
Total expenditures	<u>17,609,772</u>	<u>13,084,349</u>	<u>24,000,000</u>
Total expenditures and transfers out requiring appropriation	<u>17,609,772</u>	<u>13,084,349</u>	<u>24,000,000</u>
ENDING FUND BALANCES	<u>\$ 41,309,035</u>	<u>\$ 30,074,686</u>	<u>\$ 6,904,686</u>

**HM METROPOLITAN DISTRICT NO. 2
2024 ADOPTED 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 Adams County on November 22, 2019 and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under a Service Plan approved by the City of Aurora. The District's service area is located in Aurora.

The District was established to provide financing for the design, acquisition, installation, construction and completion of public improvements and services, including street, safety protection, park and recreation, transportation, retaining walls, trails, open space, landscaping, drainage improvements, and irrigation system improvements.

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 Section 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.

The District has imposed an ARI Mill Levy, as approved in its Service Plan and Intergovernmental Facilities Funding and Reimbursement Agreement to generate revenue for the 64th Ave ARI Authority to finance the construction of the 64th Ave. Regional Improvements, and to be pledged towards repayment of the Authority Bonds.

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

**HM METROPOLITAN DISTRICT NO. 2
2024 ADOPTED BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (Continued)

Property Taxes (continued)

For property tax collection year 2024, SB22-238 and SB23B-001 set the assessment rates and actual value reductions as follows:

Category	Rate		Category	Rate		Actual Value Reduction	Amount
Single-Family Residential	6.70%		Agricultural Land	26.40%		Single-Family Residential	\$55,000
Multi-Family Residential	6.70%		Renewable Energy Land	26.40%		Multi-Family Residential	\$55,000
Commercial	27.90%		Vacant Land	27.90%		Commercial	\$30,000
Industrial	27.90%		Personal Property	27.90%		Industrial	\$30,000
Lodging	27.90%		State Assessed	27.90%		Lodging	\$30,000
			Oil & Gas Production	87.50%			

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 7.00% of the property taxes collected by the District.

Interest Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 5%.

Expenditures

County Treasurer's Fees

County Treasurer's fees have been computed at 1.50% of property tax collections.

Debt Service

Principal and interest payments in 2024 are provided based on the attached debt amortization schedule of the Limited Tax General Obligation and Special Revenue Convertible Capital Appreciation Bonds, Series 2021.

Capital Outlay

The District anticipates infrastructure improvements as noted in the Capital Projects fund.

**HM METROPOLITAN DISTRICT NO. 2
2024 ADOPTED BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases

Limited Tax General Obligation and Special Revenue Convertible Capital Appreciation Bonds, Series 2021 (the Bonds)

Bond Proceeds

The District issued the Bonds on December 22, 2021, in the par amount of \$68,687,361 (value at issuance) and \$97,595,000 (value at conversion date). Proceeds from the sale of the Bonds were used for the purposes of: (i) paying or reimbursing a portion of the costs of acquiring, constructing, and installing certain public infrastructure improvements related to the Development; (ii) funding an initial deposit to the Surplus Fund; and (iii) paying the costs of issuing the Bonds.

Details of the Bonds

The Bonds are capital accretion bonds that automatically convert to current interest bonds on December 1, 2027. Prior to conversion to current interest bonds, the Bonds do not pay current interest and accrete in value at an annual yield equal to 6.000%. The accreted amount compounds semiannually on each June 1 and December 1, beginning June 1, 2022, from the date of delivery, to December 1, 2027.

The accreted principal balance (the accreted amount together with the original principal amount of the Bonds) at conversion on December 1, 2027, will be \$97,595,000. Upon conversion to current interest bonds, the Bonds will bear interest at the rate of 5.750%, payable semiannually on June 1 and December 1, commencing on June 1, 2028. Annual principal payments are due on December 1 of each year beginning December 1, 2030. The Bonds mature on December 1, 2051.

On and after conversion to current interest bonds, to the extent principal of any Bond is not paid when due, such principal shall remain outstanding until paid, subject to discharge, and shall continue to bear interest at the rate then borne by the Bond. To the extent interest accrued on the accreted value of any Bond is not paid when due, such unpaid interest shall compound semiannually on each interest payment date at the rate borne by the Bond.

In the event that any amount of principal of or interest on the Bonds remains unpaid after the application of all Pledged Revenue available therefor on December 1, 2061, the Bonds shall be deemed discharged.

Optional Redemption

The Bonds are subject to redemption prior to maturity, at the option of the District, on December 1, 2029, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium equal to a percentage of the principal amount so redeemed, as follows:

<u>Date of Redemption</u>	<u>Redemption Premium</u>
December 1, 2029, to November 30, 2030	3.00%
December 1, 2030, to November 30, 2031	2.00
December 1, 2031, to November 30, 2032	1.00
December 1, 2032, and thereafter	0.00

**HM METROPOLITAN DISTRICT NO. 2
2024 ADOPTED BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases (Continued)

Limited Tax General Obligation and Special Revenue Convertible Capital Appreciation Bonds, Series 2021 (the Bonds) – (continued)

Pledged Revenue

The Bonds are secured by and payable solely from and to the extent of Pledged Revenue which means: (a) all Property Tax Revenues; (b) all Specific Ownership Tax Revenues; (c) all PIF (Public Improvement Fee) Revenue; (d) all PILOT (Payment in Lieu of Taxes) Revenues; and (e) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Bond Fund.

Property Tax Revenues

“Property Tax Revenues” means all moneys derived from imposition by the District of the Required Mill Levy and do not include Specific Ownership Tax Revenues. Property Tax Revenues are net of the collection costs of the County and any tax refunds or abatements authorized by or on behalf of the County.

Required Mill Levy

The District is required to impose a Required Mill Levy upon all taxable property of the District each year in an amount necessary to generate Property Tax Revenues sufficient to pay the principal of, premium if any, and interest on the Bonds when due (less any amount then on deposit in the Bond Fund and, solely to the extent provided in the Indenture, the Surplus Fund), but not in excess of 30 mills (subject to adjustment for changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement on or after changed after January 1, 2004) for the applicable Mill Levy Certification Date. Mill Levy Certification Date means the date each year on which the District is required to impose the Required Mill Levy.

For so long as the amount on deposit in the Surplus Fund is less than the Maximum Surplus Amount, the Required Mill Levy shall be equal to 30 mills (subject to adjustment) for the applicable Mill Levy Certification Date, or such lesser amount that will generate Property Tax Revenues (A) sufficient to pay the principal of, premium if any, and interest on the Bonds when due and to fully fund the Surplus Fund to the Maximum Surplus Amount, or (B) which, when combined with moneys then on deposit in the Bond Fund and the Surplus Fund, will pay the Bonds in full in the year such levy is collected. The maximum mill levy of 30 mills (as adjusted) shall be reduced by the number of mills necessary to pay unlimited mill levy debt.

Specific Ownership Tax Revenues

“Specific Ownership Tax Revenues” means the specific ownership taxes remitted to the District as a result of its imposition of the Required Mill Levy.

PIF Revenue

“PIF Revenue” means all revenues resulting from imposition of the PIF pursuant to the Declaration of Covenants Imposing and Implementing the HM District No. 2 Public Improvement Fee made by DIBC, as Declarant (the “PIF Covenant”), including all late fees and penalties payable in accordance with the PIF Covenant, net of costs of collection. PIF Sales means, collectively, Retail Sales and Lodging Sales. Pursuant to the PIF Covenant, the Declarant has agreed to impose a public improvement fee of 3% on all PIF Sales within the PIF Property.

**HM METROPOLITAN DISTRICT NO. 2
2024 ADOPTED BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases (Continued)

Limited Tax General Obligation and Special Revenue Convertible Capital Appreciation Bonds, Series 2021 (the Bonds) – (continued)

To the extent that PIF Revenue is collected in excess of the amount necessary, together with other Pledged Revenue, to pay debt service on the Bonds and fund the Surplus Fund to the Maximum Surplus Amount, the District may use such PIF Revenue for any lawful purpose. PIF Termination Date means the later of (i) the effective date of the dissolution of the District; or (ii) when all of the Bonds have been paid or defeased.

PILOT Revenues

“PILOT Revenues” mean the revenue derived from the Declaration of Payment in Lieu of Taxes Covenant and any declaration, covenant, or agreement which provides for a tax equivalency payment or similar payment in lieu of taxes against any property that would be subject to the Required Mill Levy imposed by the District but for the fact that such property is exempt from ad valorem property taxation, and which payment is payable to the District, unless Bond Counsel has otherwise delivered an opinion to the effect that the pledge of revenues generated under such covenant will not, in and of itself, adversely affect the exclusion from gross income for federal income tax purposes, of the interest paid or to be paid on the Bonds.

Additional Security for the Bonds

The Bonds are also secured by the Surplus Fund which was partially funded from proceeds of the Bonds in the amount of \$6,868,736. Pledged Revenue that is not needed to pay debt service on the Bonds in any year will be deposited to and held in the Surplus Fund, up to the Maximum Surplus Amount of \$13,737,472. Amounts on deposit in the Surplus Fund (if any) on the final maturity date of the Bonds shall be applied to the payment of the Bonds. The availability of such amount shall be taken into account in calculating the Required Mill Levy required to be imposed in the levy year prior to the year of final maturity of the Bonds. Except for the initial deposit to the Surplus Fund, the District has no obligation to fund the Surplus Fund in any amount.

This information is an integral part of the accompanying budget.

HM Metropolitan District No. 2
\$68,687,361 (Value at Issuance)
\$97,595,000 (Value at Conversion Date)
Convertible Capital Appreciation Bonds
Series 2021
Issue Date December 22, 2021
Interest at 5.75 - 6.00%
Due June 1 and December 1

Year Ending December 31,	Value at Issuance \$68,687,361	Accretion	Accreted Value	Principal	Interest	Total
2024		\$ 4,692,368	\$ 81,733,861	\$ -	\$ -	\$ -
2025		4,977,345	86,711,206	-	-	-
2026		5,210,865	91,922,071	-	-	-
2027		5,672,929	97,595,000	-	-	-
2028				-	5,611,713	5,611,713
2029				-	5,611,713	5,611,713
2030				495,000	5,611,713	6,106,713
2031				1,420,000	5,583,250	7,003,250
2032				2,090,000	5,501,600	7,591,600
2033				2,225,000	5,381,425	7,606,425
2034				2,495,000	5,253,488	7,748,488
2035				2,645,000	5,110,025	7,755,025
2036				2,945,000	4,957,938	7,902,938
2037				3,125,000	4,788,600	7,913,600
2038				3,450,000	4,608,913	8,058,913
2039				3,660,000	4,410,538	8,070,538
2040				4,020,000	4,200,088	8,220,088
2041				4,265,000	3,968,938	8,233,938
2042				4,660,000	3,723,700	8,383,700
2043				4,940,000	3,455,750	8,395,750
2044				5,380,000	3,171,700	8,551,700
2045				5,700,000	2,862,350	8,562,350
2046				6,190,000	2,534,600	8,724,600
2047				6,560,000	2,178,675	8,738,675
2048				7,100,000	1,801,475	8,901,475
2049				7,520,000	1,393,225	8,913,225
2050				8,115,000	960,825	9,075,825
2051				8,595,000	494,213	9,089,213
Total				<u>\$ 97,595,000</u>	<u>\$ 93,176,450</u>	<u>\$ 190,771,450</u>

No assurance provided. See summary of significant assumptions.

I, Mark Throckmorton, hereby certify that I am the duly appointed Secretary of the HM Metropolitan District No. 2, and that the foregoing is a true and correct copy of the budget for the budget year 2024, duly adopted at a meeting of the Board of Directors of the HM Metropolitan District No. 2 held on December 6, 2023.

DocuSigned by:
Mark Throckmorton
91BBFFBF1C46484...
Secretary

RESOLUTION NO. 2023-12-03

RESOLUTION TO SET MILL LEVIES

**RESOLUTION OF THE HM METROPOLITAN DISTRICT NO. 2 LEVYING
GENERAL PROPERTY TAXES, PURSUANT TO SECTION 39-1-111, C.R.S., FOR THE
YEAR 2023, TO HELP DEFRAY THE COSTS OF GOVERNMENT FOR THE 2024
BUDGET YEAR**

A. The Board of Directors of the HM Metropolitan District No. 2 (the “District”) has adopted an annual budget in accordance with the Local Government Budget Law, on December 6, 2023.

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 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 the HM Metropolitan District No. 2, Adams County, Colorado, that:

1. For the purpose of meeting all general operating expenses of the District during the 2024 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 2024 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 2024 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 December 6, 2023.

HM METROPOLITAN DISTRICT NO. 2

By: DocuSigned by:
Rick Wells
CFC3C47AAC354AF...

President

Attest:

By: DocuSigned by:
Mark Hurockmorton
91BFFBF4C46484...

Secretary

EXHIBIT 1

Certification of Tax Levies

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of _____, Colorado.

On behalf of the _____
(taxing entity)^A
the _____
(governing body)^B
of the _____
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ _____ 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: \$ _____
(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: _____ for budget/fiscal year _____
(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	_____ mills	\$ _____
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< _____ > mills	\$ < _____ >
SUBTOTAL FOR GENERAL OPERATING:	<input type="text"/> mills	\$ <input type="text"/>
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]	<input type="text"/> mills	\$ <input type="text"/>

Contact person: _____ Phone: (303) 779-5710
Signed:  Title: Accountant for District

Survey Question: Does the taxing entity have voter approval to adjust the general operating levy to account for changes to assessment rates? Yes No

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, Mark Throckmorton, hereby certify that I am the duly appointed Secretary of the HM Metropolitan District No. 2, and that the foregoing is a true and correct copy of the Certification of Mill Levies for the budget year 2024, duly adopted at a meeting of the Board of Directors of the HM Metropolitan District No. 2 held on December 6, 2023.

DocuSigned by:

Mark Throckmorton

81BBFFBF1C46404...

Secretary

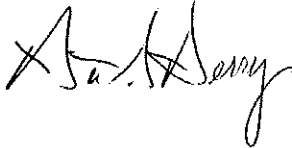
SENTINEL
PROOF OF PUBLICATION

STATE OF COLORADO
COUNTY OF ARAPAHOE)ss.

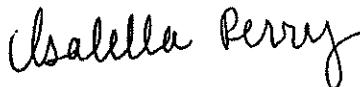
I DAVID PERRY, do solemnly swear that I am the PUBLISHER of the SENTINEL; that the same is a weekly newspaper published in the Counties of Arapahoe, Adams, and Denver; State of Colorado and has a general circulation therein; that said newspaper has been published continuously and uninterruptedly in said 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 of I consecutive insertions; and that the first publication of said notice was in the issue of said newspaper dated November 2 A.D. 2023 and that the last publication of said notice was in the issue of said newspaper dated November 2 A.D. 2023.

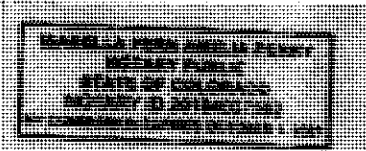
I witness whereof I have hereunto set my hand this 2nd day of November A.D. 2023.



Subscribed and sworn to before me, a notary public in the County of Arapahoe, State of Colorado, this 2nd day of November A.D. 2023.



Notary Public



NOTICE AS TO PROPOSED 2024 BUDGETS AND AMENDMENT OF 2023 BUDGETS HM METROPOLITAN DISTRICT NOS. 1, 2, & 3 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 HM Metropolitan District Nos. 1, 2, & 3 (the "Districts") for the ensuing year of 2024. The necessity may also arise for the amendments of the 2023 budgets of the Districts. Copies of the proposed 2024 budgets and 2023 amended budgets (if appropriate) are on file in the office of the Districts' Accountant, Clifton Larson Allen LLP, 8390 E. Crescent Parkway, Suite 300, Greenwood Village, Colorado 80111, where same are available for public inspection. Such proposed 2024 budgets and 2023 amended budgets will be considered at a regular meeting to be held on December 6, 2023, at 2:00 p.m. via video and teleconference. The meeting will be open to the public. Any interested elector within the Districts may, at any time prior to the final adoption of the 2024 budgets or the 2023 amended budgets, inspect the 2024 budgets and the 2023 amended budgets, and file or register any objections thereto.

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

1. To attend via Teams Videoconference, see the below link:

https://teams.microsoft.com/join/19%3ameeting_NmU3NDU3ZWMTZGJhNS00YWJhLTKTOWEINjEzYjhlNmRkMTY5%40thread.v2/0?context=%7b%22Tid%22%3a%224aaa468e-93ba-4ee3-ab9f-6a247aa3ade0%22%2c%22Oid%22%3a%2278e91a46-bdcc-4fe5-980c-8f3dcc70755%22%7d

1. To attend via telephone, dial 1-720-547-5261 and enter the following additional information:

- a. Phone Conference ID: 246 629 237#

HM METROPOLITAN
DISTRICT NOS. 1, 2, & 3
/s/ Matthew Urkoski
District Manager

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Sentinel