

RESOLUTION NO. 2022-10-02

RESOLUTION TO ADOPT BUDGET AND APPROPRIATE SUMS OF MONEY

**RESOLUTION OF THE BOARD OF DIRECTORS OF SECOND CREEK FARM
METROPOLITAN DISTRICT NO. 3, 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 2023**

A. The Board of Directors of Second Creek Farm Metropolitan District No. 3 (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 by October 15, 2022, 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 October 17, 2022, 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
SECOND CREEK FARM METROPOLITAN DISTRICT NO. 3, 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 October 17, 2022.

**SECOND CREEK FARM
METROPOLITAN DISTRICT NO. 3**

By: Joel Farkas
President

Attest:

By: Jon Dene
Secretary

EXHIBIT A

Budget

SECOND CREEK FARM METROPOLITAN DISTRICT NO. 3
ANNUAL BUDGET
FOR YEAR ENDING DECEMBER 31, 2023

SECOND CREEK FARM METROPOLITAN DISTRICT NO. 3
SUMMARY
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

1/9/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ 3,871,329	\$ 2,789,449	\$ 1,938,962
REVENUES			
Property taxes	-	-	176,815
Specific ownership taxes	-	-	12,377
Facilities fees	1,277,500	525,000	50,000
Interest income	1,099	16,750	25,500
Transfer from Second Creek Farm No. 2	1,123	253,760	362,673
Other revenue	-	-	5,000
Total revenues	9,567,722	1,007,474	632,365
TRANSFERS IN	-	4,000	-
Total funds available	13,439,051	3,800,923	2,571,327
EXPENDITURES			
General Fund	-	-	34,452
Debt Service Fund	935,750	939,750	942,919
Capital Projects Fund	9,713,852	918,211	233,110
Total expenditures	10,649,602	1,857,961	1,210,481
TRANSFERS OUT	-	4,000	-
Total expenditures and transfers out requiring appropriation	10,649,602	1,861,961	1,210,481
ENDING FUND BALANCES	\$ 2,789,449	\$ 1,938,962	\$ 1,360,846
SURPLUS FUND	\$ 2,425,342	\$ 1,758,352	\$ 1,360,846
TOTAL RESERVE	\$ 2,425,342	\$ 1,758,352	\$ 1,360,846

No assurance provided. See summary of significant assumptions.

SECOND CREEK FARM METROPOLITAN DISTRICT NO. 3
PROPERTY TAX SUMMARY INFORMATION
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

1/9/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
ASSESSED VALUATION			
Agricultural	\$ 4,640	\$ -	\$ -
Oil and Gas	180	-	-
Personal Property	-	-	840
Vacant Land	-	34,320	2,891,500
Certified Assessed Value	<u>\$ 4,820</u>	<u>\$ 34,320</u>	<u>\$ 2,892,340</u>
MILL LEVY			
General	11.132	11.132	11.132
Debt Service	55.664	55.664	50.000
Total mill levy	<u>66.796</u>	<u>66.796</u>	<u>61.132</u>
PROPERTY TAXES			
General	\$ 54	\$ 382	\$ 32,198
Debt Service	268	1,910	144,617
Levied property taxes	322	2,292	176,815
Adjustments to actual/rounding	(322)	(2,292)	-
Budgeted property taxes	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 176,815</u>
BUDGETED PROPERTY TAXES			
General	\$ -	\$ -	\$ 32,198
Debt Service	-	-	144,617
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 176,815</u>

No assurance provided. See summary of significant assumptions.

SECOND CREEK FARM METROPOLITAN DISTRICT NO. 3
GENERAL FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

1/9/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
REVENUES			
Property taxes	-	-	32,198
Specific ownership taxes	-	-	2,254
Total revenues	-	-	34,452
Total funds available	-	-	34,452
EXPENDITURES			
General and administrative			
County Treasurer's fee	-	-	483
Transfers to Second Creek Farm No. 1	-	-	33,969
Total expenditures	-	-	34,452
Total expenditures and transfers out requiring appropriation	-	-	34,452
ENDING FUND BALANCE	\$ -	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

SECOND CREEK FARM METROPOLITAN DISTRICT NO. 3
DEBT SERVICE FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

1/9/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 3,359,009	\$ 2,425,342	\$ 1,758,352
REVENUES			
Property taxes	-	-	144,617
Specific ownership taxes	-	-	10,123
Transfer from Second Creek Farm No. 2	1,123	253,760	362,673
Interest income	960	15,000	23,000
Other revenue	-	-	5,000
Total revenues	2,083	268,760	545,413
TRANSFERS IN			
Transfers from other funds	-	4,000	-
Total funds available	3,361,092	2,698,102	2,303,765
EXPENDITURES			
Debt Service			
2019A Bond interest	935,750	935,750	935,750
County Treasurer's fee	-	-	2,169
Paying agent fees	-	4,000	-
Contingency		-	5,000
Total expenditures	935,750	939,750	942,919
Total expenditures and transfers out requiring appropriation	935,750	939,750	942,919
ENDING FUND BALANCE	\$ 2,425,342	\$ 1,758,352	\$ 1,360,846
SURPLUS FUND	\$ 2,425,342	\$ 1,758,352	\$ 1,360,846
TOTAL RESERVE	\$ 2,425,342	\$ 1,758,352	\$ 1,360,846

No assurance provided. See summary of significant assumptions.

SECOND CREEK FARM METROPOLITAN DISTRICT NO. 3
CAPITAL PROJECTS FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

1/9/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 512,320	\$ 364,107	\$ 180,610
REVENUES			
Interest income	139	1,750	2,500
Bond issuance	8,288,000	211,964	-
Facilities fees	1,277,500	525,000	50,000
Total revenues	9,565,639	738,714	52,500
Total funds available	10,077,959	1,102,821	233,110
EXPENDITURES			
Capital Projects			
Bond issue costs	429,640	162,964	-
Transfers to Second Creek Farm No. 1	9,284,212	755,247	233,110
Total expenditures	9,713,852	918,211	233,110
TRANSFERS OUT			
Transfers to other funds	-	4,000	-
Total expenditures and transfers out requiring appropriation	9,713,852	922,211	233,110
ENDING FUND BALANCE	\$ 364,107	\$ 180,610	\$ -

No assurance provided. See summary of significant assumptions.

SECOND CREEK FARM METROPOLITAN DISTRICT NO. 3
2023 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 21, 2002, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District's service area is located entirely within the City of Commerce City, Adams County, Colorado.

The District was established to provide financing for the construction, installation, and operation of public improvements, including streets and safety controls, street lighting, landscaping, monuments, signage, mosquito control, television relay, water, sanitary-sewer, storm drainage, and park and recreation improvements and facilities.

Pursuant to an Amended and Restated Facilities Funding, Construction & Operations Agreement among the District and Second Creek Farms Metropolitan District Nos. 2, 3 and 4, dated July 15, 2019, with an effective date of January 1, 2019 ("FFCOA"), District No. 1 provides District Administration and Project Administration for all District Nos. 1-4 and District Nos. 2, 3 and 4 serve as the Financing Districts.

On November 5, 2002, the electorate approved general obligation indebtedness of \$3,539,171 for street improvements, \$5,870,144 for parks and recreation, \$2,670,360 for water supply system, \$1,920,323 for sanitary sewer system, \$14,000,000 for refinancing of District debt, and \$50,000 for general operations and maintenance. The election also approved an annual increase in taxes of \$50,000 for general operations and maintenance.

On November 1, 2005, the electorate approved general obligation indebtedness of \$560,000,000 representing \$70,000,000 for each of the following public improvements: streets, water, sewer, parks and recreation, traffic and safety, mosquito control, public transportation, and television relay and translation. The voters also approved general obligation indebtedness of \$70,000,000 for refinancing of District debt, \$70,000,000 for intergovernmental contracts and \$2,000,000 for general operations and maintenance. The election also approved an annual increase in taxes of \$2,000,000 for general operations and maintenance and \$2,000,000 for payments under intergovernmental agreements.

On May 6, 2014, the electorate approved general obligation indebtedness of \$700,000,000 representing \$70,000,000 for each of the following public improvements: streets, water, sewer, parks and recreation, traffic and safety, mosquito control, public transportation, television relay and translation, fire protection, and security services. The voters also approved general obligation indebtedness of \$70,000,000 for refinancing of District debt, \$70,000,000 for intergovernmental contracts, and \$70,000,000 for general operations and maintenance. The election also approved an annual increase in taxes of \$2,000,000 for general operations and maintenance, \$70,000,000 for payments under intergovernmental agreements for regional improvements, and \$2,000,000 for payments under intergovernmental agreements. The election also approved the imposition of fees of \$2,000,000 for general operations and maintenance.

The Service Plan limits total general obligation indebtedness to \$70,000,000.

The District has no employees and all administrative functions are contracted.

SECOND CREEK FARM METROPOLITAN DISTRICT NO. 3
2023 ADOPTED BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided (Continued)

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

Senate Bill 21-293 among other things, designates multi-family residential real property (defined generally, as property that is a multi-structure of four or more units) as a new subclass of residential real property. For tax collection year 2023, the assessment rate for single family residential property decreases to 6.95% from 7.15%. The rate for multifamily residential property, the newly created subclass, decreases to 6.80% from 7.15%. Agricultural and renewable energy production property decreases to 26.40% from 29.00%. Producing oil and gas remains at 87.50%. All other nonresidential property stays at 29.00%.

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.

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.

Net Investment Income

Interest earned on the District's available funds has been estimated based on current and forecasted market conditions.

**SECOND CREEK FARM METROPOLITAN DISTRICT NO. 3
2023 ADOPTED BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures

County Treasurer's Fees

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

Transfer to District No. 1

The District is obligated to impose an operating mill levy and remit property taxes derived from such mill levy, together with specific ownership taxes applicable to property within the District, to District No. 1 for payment of administration, operations and maintenance costs for both Districts. Per the FFCOA, District No. 1 provides Project Administration for the other Districts and monies associated with Project Administration is remitted to District No. 1.

Debt Service

Principal and interest payments in 2023 are provided based on the attached debt amortization schedules of the 2019 Bonds.

Debt and Leases

The 2019 Bonds were issued by and are the primary obligation of the District. To assist in the financing of the project, District No. 2 (the Pledge District) has agreed to levy ad valorem property taxes and remit the resulting revenues to the Trustee on behalf of the District pursuant to a Capital Pledge Agreement between the District and the Pledge District dated October 23, 2019.

The District issued the Senior Bonds, the Subordinate Bonds, and the Junior Lien Bonds on October 23, 2019, in the respective par amounts of \$18,715,000, \$1,696,000, and \$4,592,000. Proceeds from the sale of the 2019 Bonds were used to fund the costs of public improvements for the Districts, pay the costs of issuing the 2019 Bonds, and with respect to proceeds of the Senior Bonds only: (a) partially fund the Senior Surplus Fund and (b) fund capitalized interest on the Senior Bonds. The Junior Lien Bonds are draw-down bonds with no proceeds at issuance.

The Senior Bonds bear interest at the rate of 5.000% per annum and are payable semi-annually on June 1 and December 1, beginning on December 1, 2019. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2027. To the extent principal of any Senior Bond is not paid when due, such principal shall remain outstanding until paid and shall continue to bear interest at the rate then borne by the Senior Bond. To the extent interest on any Senior Bond is not paid when due, such interest shall compound on each interest payment date, at the rate then borne by the Senior Bond. The Senior Bonds mature on December 1, 2049.

The Subordinate Bonds bear interest at the rate of 7.625% per annum and are payable annually on December 15, beginning December 15, 2019 from, and to the extent of, Subordinate Pledged Revenue available, if any, and mature on December 15, 2049. The Subordinate Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest prior to the final maturity date. Unpaid interest on the Subordinate Bonds compounds annually on each December 15. All of the Subordinate Bonds and interest thereon are to be deemed to be paid and discharged on December 16, 2059, regardless of the amount of principal and interest paid prior to that date.

SECOND CREEK FARM METROPOLITAN DISTRICT NO. 3
2023 ADOPTED BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Debt and Leases – (continued)

The Junior Lien Bonds constitute draw-down obligations of the District and the amount drawn down as of December 31, 2020 is zero. When drawn upon, the Junior Lien Bonds are payable annually on December 15, beginning the first year of draw-down from, and to the extent of, Junior Lien Pledged Revenue available, if any, and mature on December 15, 2052. The Junior Lien Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest prior to the final maturity date. Unpaid interest on the Junior Lien Bonds will compound annually on each December 15. All of the Junior Lien Bonds and interest thereon are to be deemed to be paid and discharged on December 16, 2062, regardless of the amount of principal and interest paid prior to that date.

The Senior and Subordinate Bonds are subject to redemption prior to maturity, at the option of the District, on December 1, 2024, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium equal to a percentage of the principal amount.

Pursuant to the Senior Indenture, prior to the Conversion Date, the District has covenanted to impose a District Senior Required Mill Levy upon all taxable property of the District each year in an amount which, when combined with the Pledge District Senior Tax Revenue, will be sufficient to pay the Senior Bonds when due, but (i) not in excess of 50.000 mills (subject to adjustment for changes in the method of calculating assessed value occurring after September 19, 2005), and (ii) if the amount on deposit in the Senior Surplus Fund is less than the Maximum Surplus Amount, not less than 50.000 mills (subject to adjustment), or such lesser mill levy which will pay the Senior Bonds when due and will fund the Senior Surplus Fund to the Maximum Surplus Amount. In accordance with the Service Plan, the minimum and maximum mill levies set forth above (subject to adjustment) are to be reduced by the number of mills necessary to pay unlimited mill levy debt.

The District issued the 2021C Junior Lien Bonds on November 23, 2021, in the par amount of \$8,288,000 and the previously issued 2019 Junior Lien Bonds were cancelled coincident with the insurance of the 2021C Junior Lien Bonds. Proceeds from the sale of the 2021C Junior Lien Bonds were used to: (a) finance additional costs of public improvements related to the Development not previously financed with the Senior Bonds or Subordinate Bonds; and (b) pay costs incurred in connection with the issuance of the 2021C Junior Lien Bonds.

The 2021C Junior Lien Bonds bear interest at the rate of 7.625% per annum and are payable annually on each December 15, beginning on December 15, 2021, from and to the extent of available Junior Lien Pledged Revenue. The 2021C Junior Lien Bonds mature on December 15, 2052.

The 2021C Junior Lien Bonds are structured as “cash flow” bonds meaning that there are no scheduled payments of principal or interest prior to the final maturity date. Unpaid interest on the 2021C Junior Lien Bonds compounds annually on each December 15. All of the 2021C Junior Lien Bonds and interest thereon are to be deemed to be paid and discharged on December 16, 2062, regardless of the amount of principal and interest paid prior to that date.

The District issued the 2022D₍₃₎ Junior Subordinate Lien Bonds on August 11, 2022, in the par amount of \$3,055,000. The 2022D₍₃₎ Junior Subordinate Lien Bonds will bear interest at the rate of 7.00% per annum and are payable annually on December 15. The 2022D₍₃₎ Junior Subordinate Lien Bonds are issued on a ‘drawdown’ basis and unpaid interest compounds annually on each December 15.

**SECOND CREEK FARM METROPOLITAN DISTRICT NO. 3
2023 ADOPTED BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases – (continued)

The District has no operating or capital leases.

Reserves

Emergency Reserves

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3.00% of fiscal year spending. Since substantially all operating funds received by the District are transferred to District No. 1, which pays for all Districts' operations and maintenance costs, an emergency reserve is not reflected in the District's Budget.

Surplus Fund

The District maintains a Surplus Fund as required by the Loan.

This information is an integral part of the accompanying budget.

**SECOND CREEK FARM METROPOLITAN DISTRICT NO. 3
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

Bonds and Interest Maturing in the Year Ending December 31,	Series 2019A Senior Bonds		
	Initial Funded Amount \$18,715,000 Interest Rate of 5.000% Payable June 1 and December 1 Principal Due December 1		
	Principal	Interest	Total
2023	\$ -	\$ 935,750	\$ 935,750
2024	-	935,750	935,750
2025	-	935,750	935,750
2026	-	935,750	935,750
2027	120,000	935,750	1,055,750
2028	275,000	929,750	1,204,750
2029	355,000	916,000	1,271,000
2030	395,000	898,250	1,293,250
2031	415,000	878,500	1,293,500
2032	460,000	857,750	1,317,750
2033	485,000	834,750	1,319,750
2034	535,000	810,500	1,345,500
2035	560,000	783,750	1,343,750
2036	620,000	755,750	1,375,750
2037	650,000	724,750	1,374,750
2038	710,000	692,250	1,402,250
2039	745,000	656,750	1,401,750
2040	810,000	619,500	1,429,500
2041	850,000	579,000	1,429,000
2042	920,000	536,500	1,456,500
2043	965,000	490,500	1,455,500
2044	1,045,000	442,250	1,487,250
2045	1,095,000	390,000	1,485,000
2046	1,180,000	335,250	1,515,250
2047	1,240,000	276,250	1,516,250
2048	1,335,000	214,250	1,549,250
2049	2,950,000	147,500	3,097,500
	<u>\$ 18,715,000</u>	<u>\$ 18,448,500</u>	<u>\$ 37,163,500</u>

No assurance provided. See summary of significant assumptions.

I, Toni Serra, hereby certify that I am the duly appointed Secretary of the Second Creek Farm Metropolitan District No. 3, and that the foregoing is a true and correct copy of the budget for the budget year 2023, duly adopted at a meeting of the Board of Directors of the Second Creek Farm Metropolitan District No. 3 held on October 17, 2022.

A handwritten signature in cursive script, reading "Toni Serra".

Secretary

RESOLUTION NO. 2022-10-03

RESOLUTION TO SET MILL LEVIES

**RESOLUTION OF THE SECOND CREEK FARM METROPOLITAN DISTRICT NO. 3
LEVYING GENERAL PROPERTY TAXES, PURSUANT TO SECTION 39-1-111,
C.R.S., FOR THE YEAR 2022, TO HELP DEFRAY THE COSTS OF GOVERNMENT
FOR THE 2023 BUDGET YEAR**

A. The Board of Directors of Second Creek Farm Metropolitan District No. 3 (the “**District**”) has adopted an annual budget in accordance with the Local Government Budget Law, on October 17, 2022.

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 the Second Creek Farm Metropolitan District No. 3, Adams County, Colorado, that:

1. For the purpose of meeting all general operating expenses of the District during the 2023 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 2023 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 2023 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 October 17, 2022.

**SECOND CREEK FARM
METROPOLITAN DISTRICT NO. 3**

By: Joel Farkas
President

Attest:

By: Jon Dene
Secretary

EXHIBIT 1

Certification of Tax Levies

CERTIFICATION OF TAX LEVIES^{1,2} for NON-SCHOOL Governments**TO:** County Commissioners¹ of Adams County, Colorado.**On behalf of the** Second Creek Farm Metropolitan District No. 3,
(taxing entity)^Athe Board of Directors
(governing body)^Bof the Second Creek Farm Metropolitan District No. 3
(local government)^C**Hereby** officially certifies the following mills
to be levied against the taxing entity's GROSS \$ 2,892,340
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 \$ 2,892,340
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:** 12/5/2022 for budget/fiscal year 2023.
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)**PURPOSE** (see end notes for definitions and examples)**LEVY²****REVENUE²**

1. General Operating Expenses ^H	<u>11.132</u> mills	\$ <u>32,198</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	<u>11.132</u> mills	\$ <u>32,198</u>
3. General Obligation Bonds and Interest ^J	<u>50.000</u> mills	\$ <u>144,617</u>
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]	<u>61.132</u> mills	\$ <u>176,815</u>

Contact person: _____ Daytime
(print) Joel Farkas phone: (303)-779-5710

Signed: Joel Farkas Title: Board Member

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-I-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:	General Obligation Bonds
	Series:	Series 2019A & 2019B
	Date of Issue:	October 23, 2019
	Coupon Rate:	5.00% - 7.625%
	Maturity Date:	December 1, 2039 & December 1, 2049
	Levy:	50.000
	Revenue:	\$144,617
2.	Purpose of Issue:	General Obligation Bonds
	Series:	Series 2021C & 2022D
	Date of Issue:	November 23, 2021 & August 11, 2022
	Coupon Rate:	7.625% & 7.000%
	Maturity Date:	December 15, 2052 & December 15, 2052
	Levy:	0.000
	Revenue:	\$0

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, Toni Serra, hereby certify that I am the duly appointed Secretary of the Second Creek Farm Metropolitan District No. 3, and that the foregoing is a true and correct copy of the Certification of Mill Levies for the budget year 2023, duly adopted at a meeting of the Board of Directors of the Second Creek Farm Metropolitan District No. 3 held on October 17, 2022.

A handwritten signature in black ink, appearing to read "Toni Serra", is positioned above a horizontal line.

Secretary