

BUDGET RESOLUTION

(2021)

CERTIFIED COPY OF RESOLUTION

STATE OF COLORADO)
) ss.
COUNTY OF WELD)

At the organizational meeting of the Board of Directors of Murata Farms Commercial Metropolitan District, City of Fort Lupton, County of Weld, Colorado, held at 10:00 AM on Thursday, December 9, 2021, by videoconference at <https://us06web.zoom.us/j/85276298871>, and by teleconference at +1 669 900 6833, Meeting ID: 852 7629 8871, there were present:

Eric Eckberg
John Fairbairn
Richard Spurway

Also present was Michael Davis and Marisa Davis of the Law Office of Michael E. Davis, LLC (“District Counsel”)

District Counsel reported that, prior to the meeting, legal counsel had notified each of the directors of the date, time and place of this meeting and the purpose for which it was called. District Counsel further reported that this is an organizational meeting of the Board of Directors of the District and that a notice of the meeting was posted on the District’s public website or at a public place within the boundaries of the District pursuant to applicable statutes and at the Weld County Clerk and Recorder’s Office, and to the best of their knowledge, remains posted to the date of this meeting.

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

RESOLUTION

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR TO HELP DEFRAID THE COSTS OF THE GOVERNMENT, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE MURATA FARMS COMMERCIAL METROPOLITAN DISTRICT, CITY OF FORT LUPTON, WELD COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2021 AND ENDING ON THE LAST DAY OF DECEMBER, 2021.

WHEREAS, the proposed 2021 budget has been submitted to the Board for its consideration; and

WHEREAS, upon due and proper notice, posted in accordance with Colorado law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held at 10:00 AM on Thursday, December 9, 2021, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, the budget being adopted by the Board has been prepared based on the best information available to the Board regarding the effects of Article X, Section 20 of the Colorado Constitution; and

WHEREAS, 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.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MURATA FARMS COMMERCIAL METROPOLITAN DISTRICT, WELD COUNTY, COLORADO, AS FOLLOWS:

Section 1. Summary of 2021 Revenues and 2021 Expenditures. That the estimated revenues and expenditures for each fund for fiscal year 2021, as more specifically set forth in the budget attached hereto, are accepted and approved.

Section 2. Adoption of Budget. That the budget as submitted, or as amended, and attached hereto and incorporated herein is approved and adopted as the budget of the District for fiscal year 2021.

Section 3. 2021 Levy of General Property Taxes. That the foregoing budget indicates that the amount of money from property tax revenue necessary to balance the budget for the General Fund for operating expenses is \$0, and that the 2020 valuation for assessment, as certified by the Weld County Assessor, is \$0. That for the purposes of meeting all general operating expenses of the District during the 2021 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 during the year 2020.

Section 4. 2021 Levy of Debt Retirement Expenses. That the foregoing budget indicates that the amount of money from property tax revenue necessary to balance the budget for the Debt Service Fund for debt retirement expense is \$0 and that the 2020 valuation for assessment, as certified by the Weld County Assessor, is \$0. That for the purposes of meeting all debt retirement expenses of the District during the 2021 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 during the year 2020.


Section 6. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

Section 7. Budget Certification. That the budget shall be certified by the Secretary/Treasurer of the District, and made a part of the public records of the District.


The foregoing Resolution was seconded by Director Spurway.

RESOLUTION APPROVED AND ADOPTED ON DECEMBER 9, 2021.


MURATA FARMS COMMERCIAL METROPOLITAN DISTRICT

By: DocuSigned by:

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Eric Eckberg, President

ATTEST:

DocuSigned by:

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John Fairbairn, Secretary/Treasurer

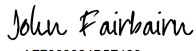
APPROVED AS TO FORM:
LAW OFFICE OF MICHAEL E. DAVIS, LLC
As General Counsel to the District



STATE OF COLORADO
COUNTY OF WELD
MURATA FARMS COMMERCIAL METROPOLITAN DISTRICT

I, John Fairbairn, hereby certify that I am a director and the duly elected and qualified Secretary/Treasurer of Murata Farms Commercial Metropolitan District (the "District"), and that the foregoing constitutes a true and correct copy of the record of proceedings of the Board of Directors of said District adopted at a meeting of the Board of Directors of the District held at 10:00 AM on Thursday, December 9, 2021, by videoconference at <https://us06web.zoom.us/j/85276298871>, and by teleconference at +1 669 900 6833, Meeting ID: 852 7629 8871, as recorded in the official record of the proceedings of the District, insofar as said proceedings relate to the budget hearing for fiscal year 2021; that said proceedings were duly had and taken; that the meeting was duly held; and that the persons were present at the meeting as therein shown.

IN WITNESS WHEREOF, I have hereunto subscribed my name on December 9, 2021.

DocuSigned by:

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John Fairbairn, Secretary/Treasurer

EXHIBIT A
2021 BUDGET DOCUMENT & BUDGET MESSAGE FOR
MURATA FARMS COMMERCIAL METROPOLITAN DISTRICT

| | <u>2019 ACTUAL</u> | <u>2020 Actual</u> | <u>2021 Adopted</u> |
|--|--------------------|--------------------|---------------------|
| Beginning Funds Available | n/a | n/a | 0 |
| <u>Revenue and Other Financing Sources</u> | | | |
| Property Taxes | n/a | n/a | 0 |
| Specific Ownership Taxes | n/a | n/a | 0 |
| Developer Advances | 0 | 0 | 48,000 |
| Other Income | 0 | 0 | 0 |
| Total Revenue | 0 | 0 | 48,000 |
| Total Funds Available | 0 | 0 | 48,000 |
| <u>Expenditures</u> | | | |
| Administrative | 0 | 0 | 0 |
| Contract Services | 0 | 0 | 0 |
| Insurance | 0 | 0 | 0 |
| Accounting and Legal Fees | 0 | 0 | 48,000 |
| Repair and Maintenance | 0 | 0 | 0 |
| Supplies | 0 | 0 | 0 |
| Capital Outlay | 0 | 0 | 0 |
| Repayment of Developer Advance Principal | 0 | 0 | 0 |
| Repayment of Developer Advance Interest | 0 | 0 | 0 |
| County Treasurer's Fees | 0 | 0 | 0 |
| Dues | 0 | 0 | 0 |
| Directors' Fees | 0 | 0 | 0 |
| Intergovernmental Transfers Out | 0 | 0 | 0 |
| Other | 0 | 0 | 0 |
| Total Expenditures | <u>0</u> | <u>0</u> | <u>48,000</u> |
| Ending Fund Balance | 0 | 0 | 0 |
| Net Change in Fund Balance | 0 | 0 | 0 |
| Emergency Reserve | 0 | 0 | 0 |
| Ending Available Funds | 0 | 0 | 0 |
| Certified Assessed Valuation (Weld County) | n/a | n/a | n/a |
| Mill Levy-General | n/a | n/a | n/a |
| Property Taxes | 0 | 0 | 0 |

**MURATA FARMS COMMERCIAL METROPOLITAN DISTRICT
2021 BUDGET**

SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

The District was organized to provide construction, installation, financing and operation of certain public improvements and facilities, including streets, street lighting, traffic and safety controls, water improvements, sanitary sewer and storm drainage improvements, landscaping, and park and recreation improvements. The District prepares its budget on the modified accrual basis of accounting

Revenue

The primary source of funds for 2021 is developer advances. The District anticipates receiving developer advances in the amount of \$48,000 to pay for operations and maintenance expenses. Revenue received from specific ownership taxes, if any, is based on a sharing of the collection of vehicle ownership taxes pooled by the County. The estimate is based on a ratio to property taxes.

Administrative Expenses

Administrative expenses have been budgeted based on estimates of the District's Board of Directors and consultants to include services necessary to maintain the District's administrative viability, such as legal, accounting, managerial, general engineering, insurance, meeting expenses and other administrative costs and expenses.

Emergency Reserve

The District has provided for an emergency reserve fund equal to at least 3% of fiscal year spending for 2021, as defined under TABOR.