

**NORTH END METROPOLITAN DISTRICT NO. 2
COUNTY OF ADAMS, STATE OF COLORADO**

ANNUAL REPORT FOR FISCAL YEAR 2019

Pursuant to the Service Plan for the North End Metropolitan District No. 2 (the "District"), the District is required to provide an annual report to the County of Adams (the "County") with regard to the following matters:

- a. Boundary changes made or proposed to the District's boundary as of December 31 of the prior year;
- b. Intergovernmental Agreements with other governmental entities either entered into or proposed as of December 31 of the prior year;
- c. Copies of the District's rules and regulations, if any, as of December 31 of the prior year;
- d. A summary of any litigation involving District Public Improvements as of December 31 of the prior year;
- e. Status of the District's construction of Public Improvements as of December 31 of the prior year;
- f. A list of all facilities and improvements constructed by the District that have been dedicated to and accepted by the City as of December 31 of the prior year;
- g. The assessed valuation of the District for the current year;
- h. Current year budget including a description of the Public Improvements to be constructed in such year;
- i. Audit of the District's financial statements, for the year ending December 31 of the previous year, prepared in accordance with generally accepted accounting principles or audit exemption, if applicable;
- j. Notice of any uncured events of default by the District, which continue beyond a ninety (90) day period, under any Debt instrument; and
- k. Any inability of the District to pay its obligations as they come due, in accordance with the terms of such obligations, which continue beyond a ninety (90) day period.

For the year ending December 31, 2019, the District makes the following report:

- a. Boundary changes made or proposed to the District's boundary as of December 31 of the prior year;

No boundary changes were made during the reporting period.

The District had no uncured events of default during the reporting period.

- k. Any inability of the District to pay its obligations as they come due, in accordance with the terms of such obligations, which continue beyond a ninety (90) day period.

The District was able to pay all of its obligations as they became due during the reporting period

NOTICE AS TO PROPOSED 2019 BUDGET

**NORTH END METROPOLITAN DISTRICT NOS. 1-4
NOTICE OF SPECIAL MEETINGS
AND
NOTICE AS TO PROPOSED 2019 BUDGETS**

October 8, 2018

NOTICE IS HEREBY GIVEN that the Boards of Directors (the "Boards") of the **NORTH END METROPOLITAN DISTRICT NOS. 1-4** (the "Districts") City of Thornton, State of Colorado, will hold special meetings at 10:00 A.M. on Monday, October 8, 2018, at 1641 California Street, Suite 300, Denver, CO 80202 for the purpose of conducting such business as may come before the Boards.

FURTHER, NOTICE IS HEREBY GIVEN that proposed budgets have been submitted to the District for the ensuing year of 2019. Copies of the proposed budgets have been filed in the office of Miller & Associates Law Offices, LLC, 1641 California Street, Suite 300, Denver, CO 80202, where the same are open for public inspection. Such proposed budgets will be considered at the special meetings of the Districts to be held at 10:00 A.M. on Monday, October 8, 2018. Any interested elector within the Districts may inspect the proposed budgets and file or register any objections at any time prior to the final adoption of the 2019 budgets.

The meeting is open to the public.

BY ORDER OF THE BOARD OF DIRECTORS
NORTH END METROPOLITAN DISTRICT NOS. 1-4

By: /s/ MILLER & ASSOCIATES LAW OFFICES, LLC

Agenda

- 1) Call to Order
- 2) Declaration of Quorum
- 3) Consider Approval of November 10, 2017 Meeting Minutes
- 4) Public Hearing to Consider Approval of 2019 Budget
 - a) Adopt 2019 Budget, Certify Mill Levy, Appropriate 2019 Expenditures
- 5) Consider Approval of 2019 Annual Administrative Resolutions
- 6) Consider Approval of Resolutions Waiving Workers' Compensation Insurance for 2019
- 7) Consider Approval of 2018 Audit Exemption Resolutions
- 8) Update on Status of Development
- 9) Other Business
 - a) Discuss Oil Royalty Payments to the District
- 10) Adjourn

Section 1. Summary of 2019 Revenues and 2019 Expenditures. That the estimated revenues and expenditures for each fund for fiscal year 2019, as more specifically set forth in the budget attached hereto, are accepted and approved.

Section 2. Adoption of Budget. That the budget as submitted, amended and attached hereto and incorporated herein is approved and adopted as the budget of the District for fiscal year 2019.

Section 3. Certification to Board of County Commissioners. That the attorney for the District is hereby authorized and directed to immediately certify to the Adams County Board of County Commissioners, the mill levy for the District hereinabove determined and set. That said certification shall be in substantially the following form:

Section 4. 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.

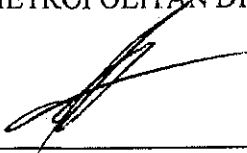
Section 5. Budget Certification. That the budget shall be certified by the Secretary/Treasurer of the District, and made a part of the public records of the District.

The foregoing Resolution was seconded by Director DeHayes.

RESOLUTION APPROVED AND ADOPTED ON OCTOBER 8, 2018.

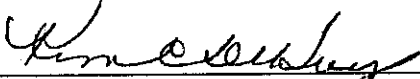
NORTH END METROPOLITAN DISTRICT NO. 2

By:



Gary Schlatter, President

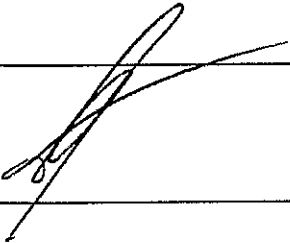
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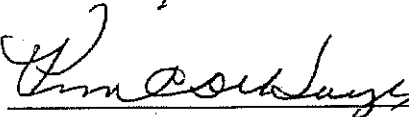


Kim E. DeHayes, Secretary/Treasurer

ACKNOWLEDGEMENT OF NOTICE AND
APPROVAL OF RECORD OF PROCEEDINGS

We, the undersigned members of the Board of Directors of the North End Metropolitan District No. 2, Adams County, Colorado, do hereby acknowledge receipt of proper notice of the meeting of the Board held at 10:00 AM on Monday, October 8, 2018, at 1641 California Street, Suite 300, Denver, Colorado 80202, informing of the date, time and place of the meeting and the purpose for which it was called, and we do hereby approve said record of proceedings and the actions taken by the Board as stated therein.





**NORTH END METROPOLITAN DISTRICT NO. 2
2019 BUDGET**

SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

Through its Service Plan, the North End Metropolitan District No. 2 (the "District") is authorized to finance certain streets, street lighting, traffic and safety controls, sewer improvements, landscaping, and park and recreation improvements.

Revenue

Developer Advances

The primary source of funds for 2019 is developer advances. The District anticipates imposing a mill levy of 0.000 mills for the budget year 2019 for operations and maintenance expenses, which will yield \$0.00 in property tax revenue.

Expenditures

Administrative Expenses

Administrative expenses have been primarily for legal services, insurance and accounting costs.

Funds Available

The District's budget exists from developer advances to cover the District's operations, including its administrative functions.

Accounting Method

The District prepares its budget on the modified accrual basis of accounting

APPLICATION FOR EXEMPTION FROM AUDIT

SHORT FORM

NAME OF GOVERNMENT
ADDRESS

North End Metropolitan District No. 2
1641 California St, Suite 300
Denver, CO 80202

For the Year Ended
12/31/18
or fiscal year ended:

CONTACT PERSON
PHONE
EMAIL
FAX

Michael Davis
303-285-5320
mdavis@ddmalaw.com
303-285-5330

PART 1 - CERTIFICATION OF PREPARER

I certify that I am skilled in governmental accounting and that the information in the application is complete and accurate, to the best of my knowledge.

NAME:
TITLE
FIRM NAME (if applicable)
ADDRESS
PHONE
DATE PREPARED

Phyllis Brown
Director of Finance and Accounting
Community Resource Services of Colorado
7995 E Prentice Ave, Suite 103E, Greenwood Village, CO 80111
303-381-4960
3/13/19

PREPARER (SIGNATURE REQUIRED)

Phyllis Brown

Please indicate whether the following financial information is recorded using Governmental or Proprietary fund types

GOVERNMENTAL
(MODIFIED ACCRUAL BASIS)

PROPRIETARY
(CASH OR BUDGETARY BASIS)



PART 4 - DEBT OUTSTANDING, ISSUED, AND RETIRED

Please answer the following questions by marking the appropriate boxes.

4-1 Does the entity have outstanding debt? Yes No
 If Yes, please attach a copy of the entity's Debt Repayment Schedule.

4-2 Is the debt repayment schedule attached? If no, MUST explain: Yes No

4-3 Is the entity current in its debt service payments? If no, MUST explain: Yes No

Please complete the following debt schedule, if applicable: (please only include principal amounts)(enter all amount as positive numbers)	Outstanding at end of prior year*	Issued during year	Retired during year	Outstanding at year-end
General obligation bonds	\$ -	\$ -	\$ -	\$ -
Revenue bonds	\$ -	\$ -	\$ -	\$ -
Notes/Loans	\$ -	\$ -	\$ -	\$ -
Leases	\$ -	\$ -	\$ -	\$ -
Developer Advances	\$ -	\$ -	\$ -	\$ -
Other (specify):	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -

*must tie to prior year ending balance

Please answer the following questions by marking the appropriate boxes.

4-5 Does the entity have any authorized, but unissued, debt? Yes No

If yes: How much? \$ 1,250,000,000

Date the debt was authorized: 11/4/2008

4-6 Does the entity intend to issue debt within the next calendar year? Yes No

If yes: How much? \$ -

4-7 Does the entity have debt that has been refinanced that it is still responsible for? Yes No

If yes: What is the amount outstanding? \$ -

4-8 Does the entity have any lease agreements? Yes No

If yes: What is being leased?

What is the original date of the lease?

Number of years of lease?

Is the lease subject to annual appropriation? Yes No

What are the annual lease payments? \$ -

Please use this space to provide any explanations or comments:

PART 5 - CASH AND INVESTMENTS

Please provide the entity's cash deposit and investment balances.

		Amount	Total
5-1	YEAR-END Total of ALL Checking and Savings Accounts	\$ -	
5-2	Certificates of deposit	\$ -	
	Total Cash Deposits		\$ -
	Investments (if investment is a mutual fund, please list underlying investments):		
		\$ -	
5-3		\$ -	
		\$ -	
	Total Investments		\$ -
	Total Cash and Investments		\$ -

Please answer the following questions by marking in the appropriate boxes

5-4 Are the entity's investments legal in accordance with Section 24-75-601, et seq., C.R.S.? Yes No N/A

5-5 Are the entity's deposits in an eligible (Public Deposit Protection Act) public depository (Section 11-10.5-101, et seq. C.R.S.)? Yes No N/A

If no, MUST use this space to provide any explanations:

PART 9 - TAXPAYER'S BILL OF RIGHTS (TABOR)

Please answer the following question by marking in the appropriate box

Yes No

- 9-1 **Is the entity in compliance with all the provisions of TABOR [State Constitution, Article X,**
Note: An election to exempt the government from the spending limitations of TABOR does not exempt the government from the 3 percent emergency reserve requirement. All governments should determine if they meet this requirement of TABOR.

If no, MUST explain:

PART 10 - GENERAL INFORMATION

Please answer the following questions by marking in the appropriate boxes.

Yes No

- 10-1 **Is this application for a newly formed governmental entity?**
- If yes: Date of formation:
- 10-2 **Has the entity changed its name in the past or current year?**
- If yes: Please list the NEW name & PRIOR name:
- 10-3 **Is the entity a metropolitan district?**
 Please indicate what services the entity provides:
 Streets, street lighting, traffic & safety, sewer, water, storm drainage, landscaping, parks & recreation
- 10-4 **Does the entity have an agreement with another government to provide services?**
 If yes: List the name of the other governmental entity and the services provided:
- 10-5 **Has the district filed a *Title 32, Article 1 Special District Notice of Inactive Status* during**
 If yes: Date Filed:
- 10-6 **Does the entity have a certified Mill Levy?**
 If yes: Please provide the following mills levied for the year reported (do not report \$ amounts):

Bond Redemption mills	-
General/Other mills	-
Total mills	-

Please use this space to provide any explanations or comments:

PART 11 – GOVERNING BODY APPROVAL

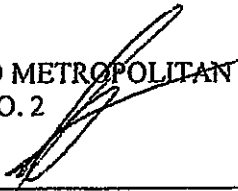
Print the names of ALL current governing board members below

A MAJORITY of the governing board members must complete and sign in the column below

	Print Board Member's Name	I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit.
Board Member 1	Gary Schlatter	I <u>Gary Schlatter</u> , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date <u>3/14/2019</u> My term Expires <u>2020</u>
Board Member 2	Kim E. DeHayes	I <u>Kim E. DeHayes</u> , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date <u>3/14/2019</u> My term Expires <u>2020</u>
Board Member 3	Vacant	I <u>Vacant</u> , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date _____ My term Expires <u>2020</u>
Board Member 4	Vacant	I <u>Vacant</u> , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date _____ My term Expires <u>2022</u>
Board Member 5	Vacant	I <u>Vacant</u> , attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date _____ My term Expires <u>2022</u>
Board Member 6	Print Board Member's Name	I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date _____ My term Expires _____
Board Member 7	Print Board Member's Name	I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date _____ My term Expires _____

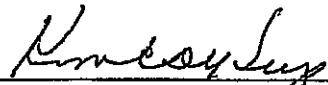
APPROVED AND ADOPTED OCTOBER 8, 2018.

NORTH END METROPOLITAN
DISTRICT NO. 2



Gary Schlatte, President

ATTEST:



Kim E. DeHayes, Secretary/Treasurer