

CERTIFIED RECORD
OF
PROCEEDINGS RELATING TO
FOUNDRY LOVELAND METROPOLITAN DISTRICT
LARIMER COUNTY, COLORADO
AND THE BUDGET HEARING
FOR FISCAL YEAR
2019

STATE OF COLORADO)
)
COUNTY OF LARIMER)ss.
)
FOUNDRY LOVELAND)
METROPOLITAN)
DISTRICT)

The Board of Directors of the Foundry Loveland Metropolitan District, Larimer County, Colorado, held a meeting at the office of Pinnacle Consulting Group, Inc., 550 West Eisenhower Boulevard, Loveland, Colorado, on Thursday, November 29, 2018 at 2:00 p.m.

The following members of the Board of Directors were present:

Shannon Stearman, President
Jay Hardy, Vice President (via teleconference)
Peter Yoo, Treasurer
Ashely Davidson, Secretary
Jordan Swisher, Asst. Secretary

Also in attendance was: Alan Pogue, Icenogle Seaver Pogue, P.C., District Legal Counsel; Peggy Dowswell, and Shannon McEvoy; Pinnacle Consulting Group Inc; Jason Woolard; Pinnacle Consulting Group Inc. (via teleconference).

Ms. Dowswell stated that proper publication was made to allow the Board to conduct a public hearing on the District's 2019 budget. Director Stearman opened the public hearing on the District's proposed 2019 budget. There being no public comment on the District's budget, the public hearing was closed.

Thereupon, Director Swisher moved to adopt the following Resolution:

RESOLUTION

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES, ADOPTING A BUDGET, SETTING FORTH MILL LEVIES, AND APPROPRIATING SUMS OF MONEY TO THE GENERAL FUND IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE FOUNDRY LOVELAND METROPOLITAN DISTRICT, LARIMER COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2019, AND ENDING ON THE LAST DAY OF DECEMBER 2019,

WHEREAS, the Board of Directors of the Foundry Loveland Metropolitan District has authorized its consultants to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, the proposed budget has been submitted to the Board of Directors of the District for its consideration; and

WHEREAS, upon due and proper notice, published on November 22, 2018, in The Loveland Reporter Herald, a newspaper having general circulation within the boundaries of the District, pursuant to statute, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on November 29, 2018, and interested electors were given the opportunity to file or register any objections to said proposed budget; 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 FOUNDRY LOVELAND METROPOLITAN DISTRICT OF LARIMER COUNTY, COLORADO:

Section 1. 2019 Budget Revenues. That the estimated revenues for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 2. 2019 Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 3. Adoption of Budget for 2019. That the budget as submitted and attached hereto and incorporated herein by this reference, and if amended, then as amended, is hereby approved and adopted as the budget of the Foundry Loveland Metropolitan District for calendar year 2019.

Section 4. 2019 Levy of Property Taxes. That the foregoing budget indicated that the amount of money necessary to balance the budget from property taxes for the 2019 Budget

year is \$22,330.76. That the 2018 valuation for assessment, as certified by the Larimer County Assessor, is \$446,615.

A. Levy for General Fund. That for the purposes of meeting all general operating expense of the District during the 2019 budget year, there is hereby levied a tax of 25.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2019.

A. Levy for Contractual Obligations. That for the purposes of meeting all contractual obligations expense of the District during the 2019 budget year, there is hereby levied a tax of 25.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2019.

Section 5. Property Tax and Fiscal Year Spending Limits. That, being fully informed, the Board finds that the foregoing budget and mill levies do not result in a violation of any applicable property tax or fiscal year spending limitation.

Section 6. Certification to County Commissioners. The District's manager is hereby authorized and directed to immediately certify to the County Commissioners of Larimer County, Colorado, the 50.000 mill levy for the District hereinabove determined and set. That said certification shall be in substantially the following form:

[Remainder of Page Left Blank Intentionally.]

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Larimer County, Colorado.

On behalf of the Foundry Loveland Metro District,
(taxing entity)^A

the Board of Directors,
(governing body)^B


of the Foundry Loveland Metro District,
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 462,452 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: \$ 446,615 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)

Submitted: 12/14/2018 for budget/fiscal year 2019.
(not later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE <small>(see end notes for definitions and examples)</small>	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	25.000 mills	\$ 11,165.38
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	25.000 mills	\$ 11,165.38
3. General Obligation Bonds and Interest ^J	_____ mills	\$ _____
4. Contractual Obligations ^K	25.000 mills	\$ 11,165.38
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
	_____ mills	\$ _____
TOTAL: <small>[Sum of General Operating Subtotal and Lines 3 to 7]</small>	50.000 mills	\$ 22,330.76

Contact person: Brendan Campbell Daytime phone: (970) 669-3611
 (print)
 Signed:  Title: District Accountant

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) 866-2156.

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: Payment to the City of Loveland for eligible improvements pursuant to the IGA
Title: District Pledge Agreement
Date: April 26, 2017
Principal Amount: _____
Maturity Date: _____
Levy: 25.000
Revenue: 11,165.38

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.

Section 7. 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 8. Budget Certification. That the budget shall be certified by Director Miller, Secretary of the District, and made a part of the public records of Foundry Loveland Metropolitan District.

The foregoing Resolution was seconded by Director Yoo.

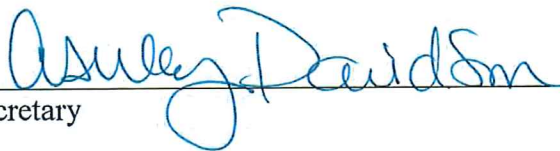
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ADOPTED AND APPROVED THIS 29th DAY OF NOVEMBER, 2018.



President

ATTEST:



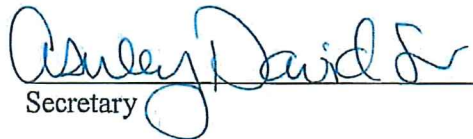
Secretary

STATE OF COLORADO)
)
COUNTY OF LARIMER)ss.
)
FOUNDRY LOVELAND)
METROPOLITAN)
DISTRICT)

I, Ashley Davidson Secretary to the Board of Directors of the Foundry Loveland Metropolitan District, Larimer County, Colorado, do hereby certify that the foregoing pages, inclusive, constitute 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 held at the office of Pinnacle Consulting Group, Inc., 550 West Eisenhower Boulevard, Loveland, Colorado, on Thursday, November 29, 2018 at 2:00 p.m., as recorded in the official record of the proceedings of the District, insofar as said proceedings relate to the budget hearing for fiscal year 2019; 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. Further, I hereby certify that the attached budget is a true and accurate copy of the 2019 budget of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the official seal of the District this 29th day of November 2018.

(S E A L)


Secretary



PINNACLE
CONSULTING GROUP, INC.

Accountant's Report

BOARD OF DIRECTORS
FOUNDRY LOVELAND METROPOLITAIN DISTRICT

I have prepared the accompanying forecasted budget of revenues, expenditures and fund balances of The Foundry Loveland Metropolitan District for the year ending December 31, 2019, including the forecasted estimate of comparative information for the year ending December 31, 2018. I have not audited, reviewed or compiled the accompanying forecast and, accordingly, do not express an opinion or provide any assurance about whether the forecast is in accordance with accounting principles generally accepted in the United States of America.

The actual historical information for the year 2017 is presented for comparative purposes only.

Substantially all of the disclosures required by accounting principles generally accepted in the United States of America have been omitted. If the omitted disclosures were included in the forecast, they might influence the user's conclusions about the District's results of operations for the forecasted periods. Accordingly, this forecast is not designed for those who are not informed about such matters.

Brendan Campbell, CPA
January 25, 2019

FOUNDRY LOVELAND METROPOLITAN DISTRICT				
STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS				
December 31, 2017 Actual, and 2018 Adopted and Projected Budget				
2019 Adopted Budget				
		Modified Accrual Budgetary Basis		
GENERAL FUND	2017	2018	2018	2019
	Unaudited	Amended	Projected	Adopted
Revenues	Actual	Budget	Actual	Budget
Property Taxes (40 mills)	\$ -	\$ 769	\$ 769	\$ 17,865
LURA - Property Tax (40 mills)	-	27	27	633
Specific Ownership Tax	-	56	68	1,251
Interest Income	-	8	8	-
Operating Advances	154,082	93,367	93,701	187,392
Total Revenues	\$ 154,082	\$ 94,227	\$ 94,573	\$ 207,141
Expenditures				
Accounting and Finance	\$ 6,325	\$ 16,900	\$ 16,900	\$ 23,575
District Management	17,225	13,000	13,000	17,020
Facilities Management	-	5,073	5,073	-
Audit	-	-	-	7,500
Board of Directors Payroll	1,453	2,038	1,938	1,615
Treasurer's Fees	-	16	16	370
Election	-	517	517	-
Insurance	928	2,013	2,013	4,000
Legal	70,091	45,000	50,000	25,000
Formation Costs	55,147	2,170	2,170	-
Office, Dues & Other	421	2,500	1,200	2,500
Payment to the City of Loveland per IGA	-	-	720	11,561
Plaza O&M	-	-	-	100,000
Contingency	-	5,000	680	10,000
Total Operating Expenditures	\$ 151,590	\$ 94,227	\$ 94,227	\$ 203,141
Other Sources/(Uses)				
Transfer to Debt Service				
Total Other Sources/(Uses)	\$ 151,590	\$ -	\$ -	\$ -
Revenues over/(under) Expend	\$ 2,493	\$ -	\$ 346	\$ 4,000
Beginning Fund Balance	\$ -	\$ 2,493	\$ 2,493	\$ 2,493
Ending Fund Balance	\$ 2,493	\$ 2,493	\$ 2,839	\$ 6,493
See Accompanying Accountant's Report				

FOUNDRY LOVELAND METROPOLITAN DISTRICT				
STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS				
December 31, 2017 Actual, and 2018 Adopted and Projected Budget				
2019 Adopted Budget				
	Modified Accrual		Budgetary Basis	
DEBT SERVICE FUND	2017	2018	2018	2019
	Unaudited	Adopted	Projected	Adopted
Revenues	Actual	Budget	Actual	Budget
Property Taxes (10 mills)	\$ -	\$ -	\$ -	\$ 4,466
LURA - Property Tax (10 mills)	-	-	-	158
Specific Ownership Tax	-	-	-	324
Total Revenues	\$ -	\$ -	\$ -	\$ 4,948
Expenditures				
Principal	\$ -	\$ -	\$ -	\$ -
Interest	-	-	-	48,750
Treasurer's Fees	-	-	-	92
Total Operating Expenditures	\$ -	\$ -	\$ -	\$ 48,842
Other Sources/(Uses)				
Transfer From General	\$ -	\$ -	\$ -	\$ -
Transfer From Capital	-	-	-	-
Total Other Sources/(Uses)	\$ -	\$ -	\$ -	\$ -
Revenues over/(under) Expend	\$ -	\$ -	\$ -	\$ (43,894)
Beginning Fund Balance	\$ -	\$ -	\$ -	\$ 124,000
Ending Fund Balance	\$ -	\$ -	\$ -	\$ 80,106
Required Reserve				\$ 68,000
See Accompanying Accountant's Report				

FOUNDRY LOVELAND METROPOLITAN DISTRICT

2019 BUDGET MESSAGE

Foundry Loveland Metropolitan is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act. The District was formed on October 2016. The District's service area is located within the City of Loveland, Colorado. The primary purpose of the District is to provide for the construction, financing, operations and maintenance of public improvements within the District.

The District has no employees at this time and all operations and administrative functions are contracted.

The budget is prepared on the modified accrual basis of accounting, which is consistent with the basis of accounting used in presenting the District's financial statements.

In preparing the 2019 budget, the following goals are foremost for the District:

- Provide the level of services as desired by the constituents of the District in the most economic manner possible.

Overview

Highlights of the 2019 budget include the following:

- The District will assess 50 mills for the property taxes, generating \$22,331 in tax revenues
- The District anticipates operating advances of \$187,392.

General Fund

Revenue

The General fund is primarily funded through operating advances of \$187,392. The District also collects property taxes and LURA revenue generated by the 40.000 General Fund mill levy, resulting in \$19,749 of tax revenue.

Expenses

General and administrative expenses budgeted in the amount of \$203,141 are expected for 2019. In 2019 the District will begin operations and maintenance on the plaza, resulting in \$100,000 in expenditures. Other major expenditures include: accounting and management (\$40,595) and legal fees (\$25,000).

Additionally, as part of an IGA with the City of Loveland, the District will pay 25.000 mills of the 40.000 mills levied to the City, for a total payment budgeted at \$11,561.

Debt Service Fund

Revenue

The District anticipates issuing debt, financed through a 10.000 mill property tax levy, resulting in revenues of \$4,948.

Expenses

The District has budgeted \$48,842 in Debt service Expenditures; \$48,750 for interest expense, and \$92 for treasures fees.

CERTIFICATION OF VALUATION BY LARIMER COUNTY ASSESSOR

Name of Jurisdiction: **269 - FOUNDRY LOVELAND METRO DISTRICT**

IN LARIMER COUNTY ON 11/26/2018

New Entity: No

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATIONS (5.5% LIMIT) ONLY

IN ACCORDANCE WITH 39-5-121(2)(a) AND 39-5-128(1), C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2018 IN LARIMER COUNTY, COLORADO

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$25,638
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: *	\$462,452
3. LESS TIF DISTRICT INCREMENT, IF ANY:	\$15,837
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$446,615
5. NEW CONSTRUCTION: **	\$269,080
6. INCREASED PRODUCTION OF PRODUCING MINES: #	\$0
7. ANNEXATIONS/INCLUSIONS:	\$0
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: #	\$0
9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD ## OR LAND (29-1-301(1)(b) C.R.S.):	\$0
10. TAXES COLLECTED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(a) C.R.S.):	\$0.00
11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a) C.R.S.) and (39-10-114(1)(a)(I)(B) C.R.S.):	\$0.00

* This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec.20(8)(b), Colo.

** New construction is defined as: Taxable real property structures and the personal property connected with the structure.

Jurisdiction must submit respective certifications (Forms DLG 52 AND 52A) to the Division of Local Government in order for the values to be treated as growth in the limit calculation.

Jurisdiction must apply (Forms DLG 52B) to the Division of Local Government before the value can be treated as growth in the limit calculation.

USE FOR 'TABOR' LOCAL GROWTH CALCULATIONS ONLY

IN ACCORDANCE WITH THE PROVISION OF ARTICLE X, SECTION 20, COLO CONST, AND 39-5-121(2)(b), C.R.S. THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2018 IN LARIMER COUNTY, COLORADO ON AUGUST 25, 2018

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: @	\$3,418,860
ADDITIONS TO TAXABLE REAL PROPERTY:	
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: !	\$1,983,200
3. ANNEXATIONS/INCLUSIONS:	\$0
4. INCREASED MINING PRODUCTION: %	\$0
5. PREVIOUSLY EXEMPT PROPERTY:	\$0
6. OIL OR GAS PRODUCTION FROM A NEW WELL:	\$0
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: <small>(If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.)</small>	\$0
DELETIONS FROM TAXABLE REAL PROPERTY:	
8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	\$0
9. DISCONNECTIONS/EXCLUSION:	\$0
10. PREVIOUSLY TAXABLE PROPERTY:	\$0

@ This includes the actual value of all taxable real property plus the actual value of religious, private schools, and charitable real property.

! Construction is defined as newly constructed taxable real property structures.

% Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH 39-5-128(1), C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS : 1. TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY:----->

\$0

NOTE: All levies must be Certified to the Board of County Commissioners NO LATER THAN DECEMBER 15, 2018

Data Date: 11/26/2018