

**2023 ANNUAL REPORT  
HOMETOWN METROPOLITAN DISTRICT NO. 2**

As required by Section 32-1-207(3)(c), C.R.S., and Section VII of the District’s Service Plan, Hometown Metropolitan District No. 2 (the “**District**”) submits the following report of the District’s activities from January 1, 2023 to December 31, 2023:

- A. Boundary changes made: No boundary changes were made or proposed during 2023.
- B. Intergovernmental Agreements entered into or terminated: The District is a party to the following intergovernmental agreements:
- Intergovernmental Agreement between the District and the City of Arvada, dated February 2, 2009, as amended May 3, 2010.
  - District Facilities Construction and Service Agreement between and among the District and Hometown Metropolitan District Nos. 1, 3, and 4, dated September 18, 2008, as amended March 26, 2010. *As of May 1, 2010, the District is no longer a party to this agreement.*
  - Assignment and Assumption of Operations and Maintenance Agreement between Hometown Metropolitan District No. 1 (now known as Westtown Metropolitan District) and Hometown Metropolitan District No. 2, dated October 17, 2016.
  - Eligible Governmental Entity Agreement between the District and the Statewide Internet Portal Authority of the State of Colorado approved by the District’s Board of Directors on October 7, 2019, and executed as of January 28, 2022.
  - Eligible Governmental Entity Agreement between the District and the Statewide Internet Portal Authority of the State of Colorado effective as of March 20, 2024.
- C. Access information to obtain a copy of rules and regulations adopted: The District has not adopted any rules and regulations as of December 31, 2023. In the event the District adopts rules and regulations in the future, such documents may be accessed at the offices of McGeady Becher P.C., 450 E. 17<sup>th</sup> Avenue, Suite 400, Denver, CO 80203, 303-592-4380, or on the District’s website: <https://hometownmd2.colorado.gov/>.
- D. Summary of litigation involving the District’s public improvements: To our knowledge, there is no litigation involving the District’s public improvements.
- E. Status of the District’s construction of public improvements: The District did not construct any public improvements during 2023.

- F. Conveyances or dedications of facilities or improvements, constructed by the District, to the City: The District did not convey or dedicate any facilities or improvements to the City in 2023.
- G. Final assessed valuation of the District for the report year: \$2,849,257.
- H. Current year's budget: A copy of the District's 2024 budget is attached hereto as **Exhibit A**.
- I. Audited financial statements for the reporting year (or application for exemption from audit): The District's Audit or Audit Exemption will be filed once complete.
- J. Notice of any uncured events of default by the District, which continue beyond a ninety (90) day period, under any debt instrument: To our knowledge, there are no uncured events of default by the District continuing beyond a ninety (90) day period.
- K. Any inability of the District to pay its obligations as they come due, in accordance with the terms of such obligations, which continues beyond a ninety (90) day period: To our knowledge, the District is able to pay its obligations as they come due.

**EXHIBIT A**  
2024 Budget

**RESOLUTION NO. 2023-10-02**

**RESOLUTION TO ADOPT BUDGET AND APPROPRIATE SUMS OF MONEY  
RESOLUTION OF THE BOARD OF DIRECTORS OF HOMETOWN  
METROPOLITAN DISTRICT NO. 2, JEFFERSON 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 Hometown Metropolitan District No. 2 (the “**District**”) has appointed Simmons & Wheeler, P.C. to prepare and submit a proposed budget to said governing body at the proper time.

B. Simmons & Wheeler, P.C. has submitted a proposed budget to this governing body on 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 October 23, 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 HOMETOWN METROPOLITAN DISTRICT NO. 2, JEFFERSON 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 23, 2023.

**HOMETOWN METROPOLITAN  
DISTRICT NO. 2**

By: *Audrey Spaen*  
President

Attest:

By: *Matt Smith*  
Secretary

**EXHIBIT A**

Budget

**HOMETOWN METROPOLITAN DISTRICT NO. 2**  
**2024**  
**BUDGET MESSAGE**

Attached please find a copy of the adopted 2024 budget for Hometown Metropolitan District No. 2.

The Hometown Metropolitan District No. 2 has adopted a budget for two funds, a General Fund to provide for general operating expenditures and transfers to the Debt Service Fund; and a Debt Service Fund to provide for payments on the outstanding general obligation bonds.

The district's accountants have utilized the modified accrual basis of accounting, and the budget has been adopted after proper postings, publications, and public hearing.

The primary source of revenue for the district in 2024 will be property taxes and specific ownership taxes. The district intends to impose a 34.108 mill levy on the property within the district in 2024, of which 11.369 mills will be dedicated to the General Fund and the balance of 22.739 mills will be allocated to the Debt Service Fund.



**Hometown Metropolitan District No. 2**  
**Adopted Budget**  
**General Fund**  
**For the Year Ended December 31, 2024**

	Actual <u>2022</u>	Adopted Budget <u>2023</u>	Actual <u>6/30/2023</u>	Estimate <u>2023</u>	Adopted Budget <u>2024</u>
Beginning fund balance	\$ 24,004	\$ 17,095	\$ 24,004	\$ 24,004	\$ 9,242
Revenues:					
Property taxes	27,878	27,081	27,081	27,081	32,393
Ownership taxes	1,919	1,354	972	1,354	1,621
Interest income	<u>1,765</u>	<u>500</u>	<u>1,954</u>	<u>3,000</u>	<u>500</u>
Total revenues	<u>31,562</u>	<u>28,935</u>	<u>30,007</u>	<u>31,435</u>	<u>34,514</u>
Total funds available	<u>55,566</u>	<u>46,030</u>	<u>54,011</u>	<u>55,439</u>	<u>43,756</u>
Expenditures:					
Legal / management	15,509	11,000	4,305	10,000	11,000
Accounting	3,834	4,000	3,690	7,000	4,000
Audit	-	4,000	-	6,500	-
Insurance	2,967	4,000	3,291	3,291	4,000
Directors fees	200	300	-	300	300
Election expense	3,975	6,000	2,114	3,500	-
Miscellaneous	40	200	10	200	200
Treasurer's fees	418	406	406	406	486
Contingency	-	227	-	-	8,170
Transfer to Debt Service fund	-	15,000	-	15,000	15,000
Emergency reserve	<u>-</u>	<u>897</u>	<u>-</u>	<u>-</u>	<u>600</u>
Total expenditures	<u>26,943</u>	<u>46,030</u>	<u>13,816</u>	<u>46,197</u>	<u>43,756</u>
Ending fund balance	<u>\$ 28,623</u>	<u>\$ -</u>	<u>\$ 40,195</u>	<u>\$ 9,242</u>	<u>\$ -</u>
Assessed value		<u>\$ 2,708,095</u>			<u>\$ 2,849,257</u>
Mill levy		<u>10.000</u>			<u>11.369</u>

**Hometown Metropolitan District No. 2**  
**Adopted Budget**  
**Debt Service Fund**  
**For the Year Ended December 31, 2024**

	Actual <u>2022</u>	Adopted Budget <u>2023</u>	Actual <u>6/30/2023</u>	Estimate <u>2023</u>	Adopted Budget <u>2024</u>
Beginning fund balance	\$ 98,241	\$ 94,383	\$ 98,240	\$ 83,173	\$ 82,056
Revenues:					
Property taxes	55,756	54,162	54,162	54,162	64,789
Ownership taxes	3,837	2,708	1,944	2,708	3,239
Transfer from General Fund	-	15,000	-	15,000	15,000
Interest income	<u>876</u>	<u>499</u>	<u>1,192</u>	<u>2,000</u>	<u>499</u>
Total revenues	<u>60,469</u>	<u>72,369</u>	<u>57,298</u>	<u>73,870</u>	<u>83,527</u>
Total funds available	<u>158,710</u>	<u>166,752</u>	<u>155,538</u>	<u>157,043</u>	<u>165,583</u>
Expenditures:					
Bond interest	43,200	41,175	20,588	41,175	39,150
Bond principal	30,000	30,000	-	30,000	35,000
Paying agent fees	1,500	3,000	1,500	3,000	3,000
Treasurer's fees	<u>837</u>	<u>812</u>	<u>812</u>	<u>812</u>	<u>972</u>
Total expenditures	<u>75,537</u>	<u>74,987</u>	<u>22,900</u>	<u>74,987</u>	<u>78,122</u>
Ending fund balance	<u>\$ 83,173</u>	<u>\$ 91,765</u>	<u>\$ 132,638</u>	<u>\$ 82,056</u>	<u>\$ 87,461</u>
Assessed value		<u>\$ 2,708,095</u>			<u>\$ 2,849,257</u>
Mill levy		<u>20.000</u>			<u>22.739</u>
Total levy		<u>30.000</u>			<u>34.108</u>

I, Matt Smith, hereby certify that I am the duly appointed Secretary of the Hometown 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 Hometown Metropolitan District No. 2 held on October 23, 2023.

*Matt Smith*

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Secretary