

BUDGET RESOLUTION

(2024)

CERTIFIED COPY OF RESOLUTION

STATE OF COLORADO)
) ss.
COUNTY OF ADAMS)

At the special meeting of the Board of Directors of Lochbuie Station Residential Metropolitan District, Town of Lochbuie, County of Adams, Colorado, held at 9:00 AM on Thursday, November 16, 2023, by videoconference at <https://us06web.zoom.us/j/82082705703?pwd=mpfLqf5f0GuW9XGPXkLrbuUfzYafkG.1>, and by teleconference at (720) 707-2699, Meeting ID: 820 8270 5703, there were present:

- Eric Eckberg
- John Fairbairn
- Richard Spurway
- Gary Duke
- Lorelei Nelson

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 a special 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 Adams 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 LOCHBUIE STATION RESIDENTIAL METROPOLITAN DISTRICT, TOWN OF LOCHBUIE ADAMS COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2024 AND ENDING ON THE LAST DAY OF DECEMBER, 2024.

WHEREAS, the Board of Directors (the “Board”) of the Lochbuie Station Residential Metropolitan District (the “District”) has authorized its consultants, treasurer and legal counsel to prepare and submit a proposed budget to said governing body no later than October 15, 2023; and

WHEREAS, the proposed 2024 budget has been submitted to the Board for its consideration; and

WHEREAS, upon due and proper notice, posted in accordance with Colorado law and published on October 26, 2023 in the Brighton Standard-Blade, said proposed budget was open for inspection by the public at a designated place, a public hearing was held at 9:00 AM on Thursday, November 16, 2023, 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 LOCHBUIE STATION RESIDENTIAL METROPOLITAN DISTRICT, ADAMS COUNTY, COLORADO, AS FOLLOWS:

Section 1. Summary of 2024 Revenues and 2024 Expenditures. That the estimated revenues and expenditures for each fund for fiscal year 2024, 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 2024.

Section 3. 2024 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 \$23,998, and that the 2023 valuation for assessment, as certified by the Adams County Assessor, is \$4,279,220. That for the purposes of meeting all general operating expenses of the District during the 2024 budget year, there is hereby levied a tax of 5.608 mills upon each dollar of the total valuation of assessment of all taxable property within the District during the year 2023.

Section 4. 2024 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 \$227,406 and that the 2023 valuation for assessment, as certified by the Adams County Assessor, is \$4,279,220. That for the purposes of meeting all debt retirement expenses of the District during the 2024 budget year, there is hereby levied a tax of 53.142 mills upon each dollar of the total valuation of assessment of all taxable property within the District during the year 2023.

Section 5. Certification to Board of County Commissioners. That the attorney, accountant or manager for the District is hereby authorized and directed to certify to the Adams County Board of County Commissioners, no later than December 15, 2023, the mill levies for the District hereinabove determined and set. That said certification shall be substantially in the same form as attached hereto and incorporated herein by this reference.

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 Duke.

RESOLUTION APPROVED AND ADOPTED ON NOVEMBER 16, 2023.

LOCHBUE STATION RESIDENTIAL METROPOLITAN DISTRICT

DocuSigned by:
Eric Eckberg
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By: _____
Eric Eckberg, President

ATTEST:

DocuSigned by:
Dick Spurway
A6880681A92446F...

Richard Spurway, Secretary

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

Michael E. Davis

STATE OF COLORADO
COUNTY OF ADAMS
LOCHBUIE STATION RESIDENTIAL METROPOLITAN DISTRICT

I, Richard Spurway, hereby certify that I am a director and the duly elected and qualified Secretary of Lochbuie Station Residential 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 9:00 AM on Thursday, November 16, 2023, by videoconference at <https://us06web.zoom.us/j/82082705703?pwd=mpfLqf5f0GuW9XGPXkLrbuUfzYafkG.1>, and by teleconference at (720) 707-2699, Meeting ID: 820 8270 5703, as recorded in the official record of the proceedings of the District, insofar as said proceedings relate to the budget hearing for fiscal year 2024; 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 November 16, 2023.

DocuSigned by:
Dick Spurway
A6880681A92446F...

Richard Spurway, Secretary

EXHIBIT A
2024 BUDGET DOCUMENT & BUDGET MESSAGE FOR
LOCHBUIE STATION RESIDENTIAL METROPOLITAN DISTRICT

**LOCHBUIE STATION RESIDENTIAL METROPOLITAN DISTRICT
2024 BUDGET**

SUMMARY OF SIGNIFICANT ASSUMPTIONS

**Lochbuie Station Residential Metropolitan District
GENERAL FUND
2024 ADOPTED BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED AMOUNTS
FOR THE YEARS ENDED AND ENDING DECEMBER 31,**

	2022 Actual	2023 Estimated	2024 Adopted
REVENUES			
Property taxes	\$ 539	\$ 15,281	\$ 23,998
Specific ownership taxes	36	800	1,200
Total revenues	575	16,081	25,198
EXPENDITURES			
Audit	10,000	3,000	12,000
County treasurer fees	-	157	376
District management and accounting	25,303	25,000	35,000
Dues and subscriptions	688	361	500
Election	-	-	-
Insurance and bonds	2,795	2,710	3,000
Landscape	-	-	50,000
Legal	9,594	20,000	20,000
Miscellaneous	68	200	200
Snow	785	5,000	5,000
Emergency reserve	-	-	3,600
Total expenditures	49,233	56,428	129,676
EXCESS OF EXPENDITURES OVER REVENUES	(48,658)	(40,347)	(104,478)
OTHER FINANCING SOURCES (USES)			
Developer advances	69,200	61,000	112,000
Transfer to debt service fund	(8,223)	(7,000)	(7,000)
Transfer to capital fund	(10,529)	(12,710)	-
Total other financing sources (uses)	50,448	41,290	105,000
NET CHANGE IN FUND BALANCE	1,790	943	522
BEGINNING FUND BALANCE	2,202	3,992	4,935
ENDING FUND BALANCE	\$ 3,992	\$ 4,935	\$ 5,457

**Lochbuie Station Residential Metropolitan District
DEBT SERVICE FUND
2024 ADOPTED BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED AMOUNTS
FOR THE YEARS ENDED AND ENDING DECEMBER 31,**

	<u>2022 Actual</u>	<u>2023 Estimated</u>	<u>2024 Adopted</u>
REVENUES			
Property taxes	\$ 5,085	\$ 145,125	\$ 227,406
Specific ownership taxes	344	8,200	11,370
Interest	9,080	22,000	4,000
Total revenues	<u>14,509</u>	<u>175,325</u>	<u>242,776</u>
EXPENDITURES			
County treasurer fees	-	2,177	3,411
Bond payment - interest	203,837	203,838	203,838
Paying agent and cash management fees	7,416	10,000	10,000
Total expenditures	<u>211,253</u>	<u>216,015</u>	<u>217,249</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(196,744)</u>	<u>(40,690)</u>	<u>25,527</u>
OTHER FINANCING SOURCES			
Transfer from general fund	8,223	7,000	7,000
Total other financing sources	<u>8,223</u>	<u>7,000</u>	<u>7,000</u>
NET CHANGE IN FUND BALANCE	(188,521)	(33,690)	32,527
BEGINNING FUND BALANCE	<u>635,349</u>	<u>446,828</u>	<u>413,138</u>
ENDING FUND BALANCE	<u>\$ 446,828</u>	<u>\$ 413,138</u>	<u>\$ 445,665</u>

**Lochbuie Station Residential Metropolitan District
CAPITAL PROJECTS FUND
2024 ADOPTED BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED AMOUNTS
FOR THE YEARS ENDED AND ENDING DECEMBER 31,**

	2022 Actual	2023 Estimated	2024 Adopted
REVENUES			
Interest	\$ 4,160	\$ 3,819	\$ -
Total revenues	<u>4,160</u>	<u>3,819</u>	<u>-</u>
EXPENDITURES			
Capital outlay	10,529	3,997,388	400,000
Repayment of developer advances	-	248,908	
Cash management fees	185	195	
Total expenditures	<u>10,714</u>	<u>4,246,491</u>	<u>400,000</u>
EXCESS OF EXPENDITURES OVER REVENUES	<u>(6,554)</u>	<u>(4,242,672)</u>	<u>(400,000)</u>
OTHER FINANCING SOURCES			
Transfer from general fund	10,529	12,710	-
Developer advances	-	3,984,678	400,000
Total other financing sources	<u>10,529</u>	<u>3,997,388</u>	<u>400,000</u>
NET CHANGE IN FUND BALANCE	3,975	(245,284)	-
BEGINNING FUND BALANCE	<u>241,309</u>	<u>245,284</u>	<u>-</u>
ENDING FUND BALANCE	<u>\$ 245,284</u>	<u>\$ -</u>	<u>\$ -</u>

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of ADAMS COUNTY, Colorado.

On behalf of the LOCHBUIE STATION RESIDENTIAL METROPOLITAN DISTRICT,
(taxing entity)^A

the BOARD OF DIRECTORS
(governing body)^B

of the LOCHBUIE STATION RESIDENTIAL METROPOLITAN DISTRICT
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 4,279,220 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: \$ _____ (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
USE VALUE FROM FINAL CERTIFICATIN OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 01/10/2024 for budget/fiscal year 2024.
(not later than Dec. 15) (dd/mm/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY²	REVENUE²
1. General Operating Expenses ^H	<u>5.608</u> mills	\$ <u>23,998</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	5.608 mills	\$ 23,998
3. General Obligation Bonds and Interest ^J	<u>53.142</u> mills	\$ <u>227,406</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]	58.750 mills	\$ 251,404

Contact person: (print) Sue Blair, CRS of Colorado, LLC Daytime phone: 303-381-4968
Signed: _____ Title: CEO

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) 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
LOCHBUIE STATION RESIDENTIAL METROPOLITAN DISTRICT

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 (Limited Tax Convertible to Unlimited Tax) Bonds
 Series: 2020A
 Date of Issue: July 15, 2020
 Coupon Rate: 5.750%
 Maturity Date: December 1, 2050
 Levy: 53.142
 Revenue: \$ 227,406

2. Purpose of Issue: Subordinate General Obligation Limited Tax Bonds, Series 2020B
 Series: 2020B
 Date of Issue: July 15, 2020
 Coupon Rate: 8.000%
 Maturity Date: September 1, 2028
 Levy: Included above
 Revenue: Included above

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 report all bond and contractual obligations.

LOCHBUIE STATION METROPOLITAN DISTRICT
2024 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 and 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.

REVENUES

The primary source of funds for 2024 is developer advances. The District anticipates receiving developer advances in the amount of \$112,000 to pay for operations and maintenance expenses. The District issued the following debt in 2020:

General Obligation Bonds in Series 2020A \$3,545,000

Subordinate General Obligation Limited Tax Bonds \$521,000

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.

The District certified the following mill levies in 2023, for collection of 2024 property taxes:

General Fund	5.608 Mills	\$23,998 in property taxes
Debt Service Fund	<u>53.142</u>	\$227,406 in property taxes
Total Mill Levy	55.663 Mills	

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 equal to at least 3% of fiscal year spending for 2024, as defined under TABOR.

LEASES

The District has no leases.