

LOCHBUIE STATION METROPOLITAN DISTRICT
2023 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 2023 is developer advances. The District anticipates receiving developer advances in the amount of \$107,000 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 2022, for collection of 2023 property taxes:

General Fund	5.313 Mills	\$15,134 in property taxes
Debt Service Fund	<u>50.350 Mills</u>	\$145,125 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 2023, as defined under TABOR.

LEASES

The District has no leases.

BUDGET RESOLUTION

(2023)

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, at 2:00 P.M. Thursday November 3, 2022, by videoconference at

<https://us06web.zoom.us/j/82338505342?pwd=ZEJrV0pOTHAxT3VHR1Z1emhuRE9Rdz09>

or by teleconference at 1 669 444 9171, Meeting ID: 823 3850 5342, there were present:

Eric Eckberg
Richard Spurway
John Fairbairn
Gary Duke

Also present was Michael Davis, Hilary Adams and Marisa Davis of the Law Office of Michael E. Davis, LLC, and Joel Meggers, Diane Rodriguez and Kayla Blair of Community Resource Services of Colorado, LLC.

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, 2023 AND ENDING ON THE LAST DAY OF DECEMBER, 2023.

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, 2022; and

WHEREAS, the proposed 2023 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 27, 2022 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 2:00 p.m. on November 3, 2022, 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 2023 Revenues and 2023 Expenditures. That the estimated revenues and expenditures for each fund for fiscal year 2023, 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 2023.

Section 3. 2023 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 \$117,341, and that the 2022 valuation for assessment, as certified by the Adams County Assessor, is \$2,903,060. That for the purposes of meeting all general operating expenses of the District during the 2023 budget year, there is hereby levied a tax of 5.313 mills upon each dollar of the total valuation of assessment of all taxable property within the District during the year 2022.

Section 4. 2023 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 \$216,031 and that the 2022 valuation for assessment, as certified by the Adams County Assessor, is \$2,903,060. That for the purposes of meeting all debt retirement expenses of the District during the 2023 budget year, there is hereby levied a tax of 50.350 mills upon each dollar of the total valuation of assessment of all taxable property within the District during the year 2022.

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, 2022, 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 3, 2022.

LOCHBUIE STATION RESIDENTIAL METROPOLITAN DISTRICT

DocuSigned by:
Eric Eckberg
45865A2E0F9540D...

By:

Eric Eckberg, President

ATTEST:

DocuSigned by:
John Fairbairn
AF7868824B5F428...

John Fairbairn, Secretary/Treasurer

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, John Fairbairn, hereby certify that I am a director and the duly elected and qualified Secretary/Treasurer 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 2:00 P.M.ON Thursday, November 3, 2022 by videoconference at

<https://us06web.zoom.us/j/82338505342?pwd=ZEJrV0pOTHAxT3VHR1Z1emhuRE9Rdz09>

and by teleconference at 1 720 707 2699, Meeting ID: 823 3850 5342, as recorded in the official record of the proceedings of the District, insofar as said proceedings relate to the budget hearing for fiscal year 2023; 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 3, 2022.

DocuSigned by:

AF7868824B5F428...

John Fairbairn, Secretary/Treasurer

EXHIBIT A
2023 BUDGET DOCUMENT & BUDGET MESSAGE FOR
LOCHBUIE STATION RESIDENTIAL METROPOLITAN DISTRICT

**LOCHBUIE STATION RESIDENTIAL METROPOLITAN DISTRICT
2023 BUDGET**

SUMMARY OF SIGNIFICANT ASSUMPTIONS

Lochbuie Station Residential Metropolitan District
GENERAL FUND
2023 ADOPTED BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED AMOUNTS
FOR THE YEARS ENDED AND ENDING DECEMBER 31,

	2021 Actual	2022 Estimated	2023 Adopted
REVENUES			
Property taxes	\$ 129	\$ 539	\$ 15,134
Specific ownership taxes	-	30	757
Total revenues	<u>129</u>	<u>569</u>	<u>15,891</u>
EXPENDITURES			
Audit	5,500	10,000	3,000
County treasurer fees	-	6	236
District management and accounting	38,816	25,000	25,000
Dues and subscriptions	306	690	700
Election	-	-	5,000
Insurance and bonds	2,522	3,000	3,000
Landscape	-	-	50,000
Legal	6,802	20,000	20,000
Miscellaneous	2	2,000	200
Snow	-	2,000	5,000
Emergency reserve	-	2,000	3,200
Total expenditures	<u>53,948</u>	<u>64,696</u>	<u>115,336</u>
EXCESS OF EXPENDITURES OVER REVENUES	<u>(53,819)</u>	<u>(64,127)</u>	<u>(99,445)</u>
OTHER FINANCING SOURCES (USES)			
Developer advances	50,700	90,000	107,000
Transfer to debt service fund	(5,777)	(7,000)	(7,000)
Transfer to capital fund	-	(20,000)	-
Total other financing sources (uses)	<u>44,923</u>	<u>63,000</u>	<u>100,000</u>
NET CHANGE IN FUND BALANCE	(8,896)	(1,127)	555
BEGINNING FUND BALANCE	<u>11,098</u>	<u>2,202</u>	<u>1,075</u>
ENDING FUND BALANCE	<u>\$ 2,202</u>	<u>\$ 1,075</u>	<u>\$ 1,630</u>

Lochbuie Station Residential Metropolitan District
DEBT SERVICE FUND
2023 ADOPTED BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED AMOUNTS
FOR THE YEARS ENDED AND ENDING DECEMBER 31,

	<u>2021 Actual</u>	<u>2022 Estimated</u>	<u>2023 Adopted</u>
REVENUES			
Property taxes	\$ 1,223	\$ 5,085	\$ 145,125
Specific ownership taxes	-	284	7,256
Interest	375	7,503	4,000
Total revenues	<u>1,598</u>	<u>12,872</u>	<u>156,381</u>
EXPENDITURES			
County treasurer fees	-	76	2,177
Bond payment - interest	203,838	203,838	203,838
Paying agent and cash management fees	7,074	10,000	10,000
Total expenditures	<u>210,912</u>	<u>213,914</u>	<u>216,015</u>
EXCESS OF EXPENDITURES OVER REVENUES	<u>(209,314)</u>	<u>(201,042)</u>	<u>(59,634)</u>
OTHER FINANCING SOURCES			
Transfer from general fund	5,777	7,000	7,000
Total other financing sources	<u>5,777</u>	<u>7,000</u>	<u>7,000</u>
NET CHANGE IN FUND BALANCE	(203,537)	(194,042)	(52,634)
BEGINNING FUND BALANCE	<u>838,886</u>	<u>635,349</u>	<u>441,307</u>
ENDING FUND BALANCE	<u>\$ 635,349</u>	<u>\$ 441,307</u>	<u>\$ 388,673</u>

Lochbuie Station Residential Metropolitan District
CAPITAL PROJECTS FUND
2023 ADOPTED BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED AMOUNTS
FOR THE YEARS ENDED AND ENDING DECEMBER 31,

	2021 Actual	2022 Estimated	2023 Adopted
REVENUES			
Interest	\$ 140	\$ 3,500	\$ -
Total revenues	<u>140</u>	<u>3,500</u>	<u>-</u>
EXPENDITURES			
Capital outlay	-	20,000	1,994,559
Repayment of developer advances	1,843,985	-	250,000
Cash management fees	54	150	100
Total expenditures	<u>1,844,039</u>	<u>20,150</u>	<u>2,244,659</u>
EXCESS OF EXPENDITURES OVER REVENUES	<u>(1,843,899)</u>	<u>(16,650)</u>	<u>(2,244,659)</u>
OTHER FINANCING SOURCES			
Transfer from general fund	-	20,000	-
Developer advances	-	-	2,000,000
Total other financing sources	<u>-</u>	<u>20,000</u>	<u>2,000,000</u>
NET CHANGE IN FUND BALANCE	(1,843,899)	3,350	(244,659)
BEGINNING FUND BALANCE	<u>2,085,208</u>	<u>241,309</u>	<u>244,659</u>
ENDING FUND BALANCE	<u>\$ 241,309</u>	<u>\$ 244,659</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 \$ 2,882,330 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: 12/11/2022 for budget/fiscal year 2023 (not later than Dec. 15) (dd/mm/yyyy) (yyyy)

Table with 3 columns: PURPOSE (see end notes for definitions and examples), LEVY², and REVENUE². Rows include General Operating Expenses, Temporary General Property Tax Credit/Temporary Mill Levy Rate Reduction, General Obligation Bonds and Interest, Contractual Obligations, Capital Expenditures, Refunds/Abatements, and Other. Total: 55.663 mills, \$160.439.

Contact person: (print) Sue Blair, CRS of Colorado, LLC Daytime phone: 303-381-4968 Signed: [Signature] 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:	<u>General Obligation (Limited Tax Convertible to Unlimited Tax) Bonds</u>
	Series:	<u>2020A</u>
	Date of Issue:	<u>July 15, 2020</u>
	Coupon Rate:	<u>5.750%</u>
	Maturity Date:	<u>December 1, 2050</u>
	Levy:	<u>50.350</u>
	Revenue:	<u>\$ 145,125</u>

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

CONTRACTS^K:

3.	Purpose of Contract:	<u>_____</u>
	Title:	<u>_____</u>
	Date:	<u>_____</u>
	Principal Amount:	<u>_____</u>
	Maturity Date:	<u>_____</u>
	Levy:	<u>_____</u>
	Revenue:	<u>_____</u>

4.	Purpose of Contract:	<u>_____</u>
	Title:	<u>_____</u>
	Date:	<u>_____</u>
	Principal Amount:	<u>_____</u>
	Maturity Date:	<u>_____</u>
	Levy:	<u>_____</u>
	Revenue:	<u>_____</u>

Use multiple copies of this page as necessary to report all bond and contractual obligations.