

BUDGET RESOLUTION

(2025)

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 10:00 AM on Thursday, October 10, 2024, by videoconference and by teleconference, there were present:

- Eric Eckberg
- Richard Spurway
- John Fairbairn
- 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 DEFRAY 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, 2025 AND ENDING ON THE LAST DAY OF DECEMBER, 2025.

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, 2024; and

WHEREAS, the proposed 2025 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 10, 2024 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 10:00 AM on Thursday, October 10, 2024, 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 LOCHBUIE STATION RESIDENTIAL METROPOLITAN DISTRICT, ADAMS COUNTY, COLORADO, AS FOLLOWS:

Section 1. Adoption of Budget. The budget attached hereto and incorporated herein (the “Budget”), including without limitation the estimated revenues and expenditures for each fund included therein, is hereby approved and adopted as the budget of the District for fiscal year 2025. In the event of recertification of values by the County Assessor’s Office after the date of adoption hereof, staff is hereby directed to modify and/or adjust the budget and certification to reflect the recertification without the need for additional Board authorization. Any such modification to the budget or certification as contemplated by this Section 1 shall be deemed ratified by the Board.

Section 2. Appropriations. The amounts set forth as expenditures for each fund in the Budget are hereby appropriated for each such fund.

Section 3. Mill Levy Adjustment. When developing the Budget, consideration was given to any changes in method of calculating assessed valuation, including any changes to the assessment ratios, or any constitutionally mandated tax credit, cut or abatement, as authorized in the District's service plan. The Board hereby determines that in good faith (such determination to be binding and final), that to the extent possible, the adjustments to the mill levies made to account for changes in Colorado law described in the prior sentence, and the actual tax revenues generated by the mill levies, are neither diminished nor enhanced as a result of those changes.

Section 4. Budget Certification. The Budget shall be certified by a director on the board of directors of the District and shall be made a part of the public records of the District.

Section 5. Certification of Mill Levies. For the purposes of meeting all of the District's general operating expenses, debt service obligations, contractual obligations, and capital expenditure obligations, as well as funding any applicable refunds or abatements during the 2025 budget year, the applicable mill levies set forth in the Budget are hereby adopted and approved. 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, 2024, the mill levies for the District as set forth in the Budget. Such certification shall be in compliance with the requirements of Colorado law.

Section 6. Filing of Budget and Budget Message. The Board hereby directs its legal counsel, manager or other designee to file a certified copy of the adopted budget resolution, the Budget, and budget message with the Division of Local Government by January 30 of the ensuing year.

The foregoing Resolution was seconded by Director Fairbairn.

RESOLUTION APPROVED AND ADOPTED ON OCTOBER 10, 2024.

LOCHBLUE STATION RESIDENTIAL METROPOLITAN DISTRICT

Signed by:
Eric Eckberg
45865A2E0F9540D...

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

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 10:00 AM on Thursday, October 10, 2024, by videoconference at <https://us06web.zoom.us/j/84678621279?pwd=FuHUBidneDBBBPe04zdPmwKXNbGWtE.1>, and by teleconference at (720) 707-2699, Meeting ID: 846 7862 1279; Passcode: 433684, as recorded in the official record of the proceedings of the District, insofar as said proceedings relate to the budget hearing for fiscal year 2025; 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 October 10, 2024.

DocuSigned by:

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Richard Spurway (Secretary), Secretary/Treasurer

**Lochbuie Station Residential Metropolitan District
GENERAL FUND
2025 ADOPTED BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED AMOUNTS
FOR THE YEARS ENDED AND ENDING DECEMBER 31,**

	2023 Actual	2024 Estimated	2025 Adopted
REVENUES			
Property taxes	\$ 15,281	\$ 24,076	\$ 46,027
Specific ownership taxes	985	1,117	2,301
Interest	-	99	-
Total revenues	16,266	25,292	48,328
EXPENDITURES			
Audit	3,000	12,000	12,000
County treasurer fees	157	380	723
District management and accounting	27,909	35,000	35,000
Dues and subscriptions	361	500	500
Election	-	-	5,000
Insurance and bonds	2,608	2,710	3,000
Landscape	-	50,000	50,000
Legal	9,414	20,000	20,000
Miscellaneous	87	200	200
Snow	2,220	5,000	5,000
Emergency reserve	-	-	3,800
Total expenditures	45,756	125,790	135,223
EXCESS OF EXPENDITURES OVER REVENUES	(29,490)	(100,498)	(86,895)
OTHER FINANCING SOURCES (USES)			
Developer advances	46,000	110,000	92,000
Transfer to debt service fund	(7,000)	(7,000)	(7,000)
Transfer to capital fund	(12,710)	-	-
Total other financing sources (uses)	26,290	103,000	85,000
NET CHANGE IN FUND BALANCE	(3,200)	2,502	(1,895)
BEGINNING FUND BALANCE	3,992	792	3,294
ENDING FUND BALANCE	\$ 792	\$ 3,294	\$ 1,399

**Lochbuie Station Residential Metropolitan District
DEBT SERVICE FUND
2025 ADOPTED BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED AMOUNTS
FOR THE YEARS ENDED AND ENDING DECEMBER 31,**

	2023 Actual	2024 Estimated	2025 Adopted
REVENUES			
Property taxes	\$ 144,812	\$ 228,145	\$ 263,011
Specific ownership taxes	9,336	10,587	13,151
Interest	24,472	21,000	10,000
Total revenues	<u>178,620</u>	<u>259,732</u>	<u>286,162</u>
EXPENDITURES			
Bond payment - interest	203,838	270,197	245,991
Cash management fees	8,163	20,000	10,000
Cost of issuance - bonds	-	275,000	-
County treasurer fees	1,490	3,450	3,945
Repayment of developer advances	-	1,469,000	-
Underwriter's discount	-	200,000	-
Total expenditures	<u>213,491</u>	<u>2,237,647</u>	<u>259,936</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(34,871)</u>	<u>(1,977,915)</u>	<u>26,226</u>
OTHER FINANCING SOURCES (USES)			
Bond & loan proceeds	-	6,180,000	-
Payment to refunding bond escrow agent	-	(4,495,000)	-
Transfer from general fund	7,000	7,000	7,000
Total other financing sources (uses)	<u>7,000</u>	<u>1,692,000</u>	<u>7,000</u>
NET CHANGE IN FUND BALANCE	(27,871)	(285,915)	33,226
BEGINNING FUND BALANCE	<u>446,828</u>	<u>418,957</u>	<u>133,042</u>
ENDING FUND BALANCE	<u>\$ 418,957</u>	<u>\$ 133,042</u>	<u>\$ 166,268</u>

Lochbuie Station Residential Metropolitan District
CAPITAL PROJECTS FUND
2025 ADOPTED BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED AMOUNTS
FOR THE YEARS ENDED AND ENDING DECEMBER 31,

	2023 Actual	2024 Estimated	2025 Adopted
REVENUES			
Interest	\$ 3,819	\$ -	\$ -
Total revenues	<u>3,819</u>	<u>-</u>	<u>-</u>
EXPENDITURES			
Capital outlay	3,967,988	1,300,000	-
Repayment of developer advances - principal	227,162	-	-
Repayment of developer advances - interest	21,746	-	-
Cash management fees	195	-	-
Total expenditures	<u>4,217,091</u>	<u>1,300,000</u>	<u>-</u>
EXCESS OF EXPENDITURES OVER REVENUES	<u>(4,213,272)</u>	<u>(1,300,000)</u>	<u>-</u>
OTHER FINANCING SOURCES			
Transfer from general fund	12,710	-	-
Developer advances	3,955,278	1,300,000	-
Total other financing sources	<u>3,967,988</u>	<u>1,300,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(245,284)	-	-
BEGINNING FUND BALANCE	<u>245,284</u>	<u>-</u>	<u>-</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

LOCHBUIE STATION METROPOLITAN DISTRICT
2025 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 2025 is developer advances in the anticipated amount of \$92,000. The District certified the following mill levies in 2024, for collection of 2025 property taxes:

General Fund	8.750 mills, generating \$46,027 in property tax revenue
Debt Service Fund	<u>50.000 mills</u> , generating \$263,011 in property tax revenue
	58.750 total 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 2025, as defined under TABOR.

LEASES

The District has no leases.

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 \$ 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: 12/11/2024 for budget/fiscal year 2025.
(not later than Dec. 15) (dd/mm/yyyy) (yyyy)

<u>PURPOSE</u> (see end notes for definitions and examples)	<u>LEVY</u> ²	<u>REVENUE</u> ²
1. General Operating Expenses ^H	<u>8.750</u> mills	\$ <u>46,027</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< <u> </u> > mills	\$ < <u> </u> >
SUBTOTAL FOR GENERAL OPERATING:	<u>8.750</u> mills	\$ <u>46,027</u>
3. General Obligation Bonds and Interest ^J	<u>50.000</u> mills	\$ <u>263,011</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]	<u>58.750</u> mills	\$ <u>309,038</u>

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).

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

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: 50.000
 Revenue: \$ 263,011

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: _____

Mill Levy Public Information

Pursuant to 39-1-125 C.R.S.

Counties can ask local governments to submit this form to the county by December 15th pursuant to 39-1-125 (1) (c) C.R.S. Local governments, please verify with the county whether they would like you to use this form or a different process to provide this information.

Taxing Entity Information

Taxing Entity: 479 – Lochbuie Station Residential Metro District

County: Adams County

DOLA Local Government ID Number: 83-3293942

Subdistrict Number (if applicable): _____

Budget/Fiscal Year: _____

Mill Levy Information

1. Mill Levy Name or Purpose: General and Debt Funds
2. Mill Levy Rate (Mills) : 58.750
3. Previous Year Mill Levy Rate (Mills) : 58.750
4. Previous Year Mill Levy Revenue Collected : \$251,404.18
5. Mill Levy Maximum Without Further Voter Approval: 60 Mills
6. Allowable Annual Growth in Mill Levy Revenue : \$77,937.62
7. Actual Growth in Mill Levy Revenue Over the Prior Year: \$71,076.33
8. Is revenue from this mill levy allowed to be retained and spent as a voter-approved revenue change pursuant to section 20 (7)(b) of Article X of the State Constitution (TABOR)? Yes
9. Is revenue from this mill levy subject to the Statutory Property Tax (5.5%) Limit in 29-1-301 C.R.S.? no
10. Is revenue from this mill levy subject to any other limit on annual revenue growth enacted by the local government or another local government? Not to my actual knowledge
11. Does the mill levy need to be adjusted or does a temporary mill levy reduction need to be used in order to collect a certain amount of revenue? If “Yes”, what is the amount?
No
12. Other or additional information:

Contact Information

Contact Person: _____

Title: _____

Phone: _____

Email: _____