

BUDGET RESOLUTION

(2022)

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 11:00 AM on Thursday, October 28, 2021, via Zoom/Audio meeting and at the Anythink Library; 327 E Bridge St., Brighton, Colorado, there were present:

Eric Eckberg
John Fairbairn
Richard Spurway

Also present was Michael Davis of Miller & Associates Law Offices, LLC (“District Counsel”); and Lisa Jacoby, Paige Titcomb, Phil Schneider and Diane Rodriguez of Community Resource Services of Colorado

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 in at three (3) places within the boundaries of the District 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, 2022 AND ENDING ON THE LAST DAY OF DECEMBER, 2022.

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, 2021; and

WHEREAS, the proposed 2022 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 28, 2021 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 11:00 AM on Thursday, October 28, 2021, 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 2022 Revenues and 2022 Expenditures. That the estimated revenues and expenditures for each fund for fiscal year 2022, 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 2022.

Section 3. 2022 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 **\$537**, and that the 2021 valuation for assessment, as certified by the Adams County Assessor, is **\$100,990**. That for the purposes of meeting all general operating expenses of the District during the 2022 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 2021. In addition, the Board imposed a mill levy of **0.018** for abatements collecting \$2.00 in property taxes.

Section 4. 2022 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 **\$5,085** and that the 2021 valuation for assessment, as certified by the Adams County Assessor, is **\$100,990**. That for the purposes of meeting all debt retirement expenses of the District during the 2022 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 2021.

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, 2021, 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 Spurway.

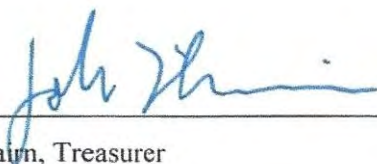
RESOLUTION APPROVED AND ADOPTED ON OCTOBER 28, 2021.

LOCHBUIE STATION RESIDENTIAL
METROPOLITAN DISTRICT



Eric Eckberg, President

ATTEST:

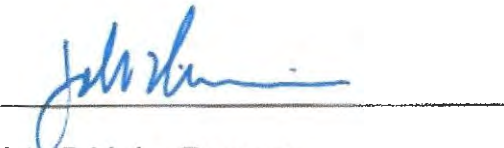


John Fairbairn, Treasurer

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 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 11:00 AM Thursday, October 28, 2021, at the Anythink Library; 327 E Bridge St., Brighton, Colorado and via Zoom as recorded in the official record of the proceedings of the District, insofar as said proceedings relate to the budget hearing for fiscal year 2022; 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 28, 2021.



John Fairbairn, Treasurer

**Lochbuie Station Residential Metropolitan District
GENERAL FUND
2022 ADOPTED BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED AMOUNTS**

	2020 Actual	2021 Estimated	2022 Adopted
REVENUES			
Property taxes	\$ 1	\$ 129	\$ 539
Specific ownership taxes	-	-	27
Total revenues	<u>1</u>	<u>129</u>	<u>566</u>
EXPENDITURES			
Audit	-	5,500	10,000
County treasurer fees	-	-	6
District management and accounting	17,394	38,000	25,000
Dues and subscriptions	302	500	500
Election	-	-	5,000
Insurance and bonds	1,876	3,000	3,000
Legal	8,311	15,000	20,000
Miscellaneous	-	2,000	2,000
Emergency reserve	-	1,500	2,000
Total expenditures	<u>27,883</u>	<u>65,500</u>	<u>67,506</u>
EXCESS OF EXPENDITURES OVER REVENUES	<u>(27,882)</u>	<u>(65,371)</u>	<u>(66,940)</u>
OTHER FINANCING SOURCES (USES)			
Developer advances	40,572	66,400	65,000
Transfer to debt service fund	-	(7,000)	-
Transfer to capital fund	(4,069)	-	-
Total other financing sources (uses)	<u>36,503</u>	<u>59,400</u>	<u>65,000</u>
NET CHANGE IN FUND BALANCE	8,621	(5,971)	(1,940)
BEGINNING FUND BALANCE	<u>2,477</u>	<u>11,098</u>	<u>5,127</u>
ENDING FUND BALANCE	<u>\$ 11,098</u>	<u>\$ 5,127</u>	<u>\$ 3,187</u>

Lochbuie Station Residential Metropolitan District
DEBT SERVICE FUND
2022 ADOPTED BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED AMOUNTS

	2020 Actual	2021 Estimated	2022 Adopted
REVENUES			
Property taxes	\$ -	\$ 1,225	\$ 5,085
Specific ownership taxes	-	-	254
Interest	885	350	200
Total revenues	<u>885</u>	<u>1,575</u>	<u>5,539</u>
EXPENDITURES			
County treasurer fees	-	-	76
Bond payment - interest	76,439	203,838	203,838
Costs of issuance	182,081	-	-
Paying agent and cash management fees	9,068	10,000	10,000
Underwriter's discount	86,530	-	-
Total expenditures	<u>354,118</u>	<u>213,838</u>	<u>213,914</u>
EXCESS OF EXPENDITURES OVER REVENUES	<u>(353,233)</u>	<u>(212,263)</u>	<u>(208,375)</u>
OTHER FINANCING SOURCES (USES)			
Bond proceeds	4,066,000	-	-
Transfer from general fund	-	7,000	-
Transfer to capital projects fund	(2,873,881)	-	-
Total other financing sources (uses)	<u>1,192,119</u>	<u>7,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	838,886	(205,263)	(208,375)
BEGINNING FUND BALANCE	<u>-</u>	<u>838,886</u>	<u>633,623</u>
ENDING FUND BALANCE	<u>\$ 838,886</u>	<u>\$ 633,623</u>	<u>\$ 425,248</u>

Lochbuie Station Residential Metropolitan District
CAPITAL PROJECTS FUND
2022 ADOPTED BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED AMOUNTS

	<u>2020 Actual</u>	<u>2021 Estimated</u>	<u>2022 Adopted</u>
REVENUES			
Interest	\$ 2,091	\$ 180	\$ 300
Total revenues	<u>2,091</u>	<u>180</u>	<u>300</u>
EXPENDITURES			
Capital outlay	2,771,499	-	241,503
Repayment of developer advances	776,647	1,843,985	-
Cash management fees	159	100	100
Total expenditures	<u>3,548,305</u>	<u>1,844,085</u>	<u>241,603</u>
EXCESS OF EXPENDITURES OVER REVENUES	<u>(3,546,214)</u>	<u>(1,843,905)</u>	<u>(241,303)</u>
OTHER FINANCING SOURCES			
Transfer from debt fund	2,873,881	-	-
Transfer from general fund	4,069	-	-
Developer advances	2,753,472	-	-
Total other financing sources	<u>5,631,422</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	2,085,208	(1,843,905)	(241,303)
BEGINNING FUND BALANCE	<u>-</u>	<u>2,085,208</u>	<u>241,303</u>
ENDING FUND BALANCE	<u>\$ 2,085,208</u>	<u>\$ 241,303</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 \$ 100,990 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: \$ 100,990 (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: 12/11/2021 for budget/fiscal year 2022
(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>5.313</u> mills	\$ <u>537</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	5.313 mills	\$ 537
3. General Obligation Bonds and Interest ^J	<u>50.350</u> mills	\$ <u>5,085</u>
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	<u>0.018</u> mills	\$ <u>2</u>
7. Other ^N (specify): _____	_____ mills	\$ _____
_____	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	55.681 mills	\$ 5,624

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

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: 50.350
 Revenue: \$ 5,085

- 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
2022 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.

REVENUE

The primary source of funds for 2022 is developer advances. The District anticipates receiving developer advances in the amount of \$65,000 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

The amount of \$2,872,712 was transferred to the Capital Fund to offset capital outlay and developer advances. 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 2021, for collection of 2022 property taxes:

General Fund	5.313 Mills	\$129 in property taxes
Abatements	0.018 Mills	\$2.00 in property taxes
Debt Service Fund	<u>50.350 Mills</u>	\$1,225 in property taxes
Total Mill Levy	55.681 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 2022, as defined under TABOR.