

STATE OF COLORADO
COUNTY OF WELD, TOWN OF ERIE
ERIE HIGHLANDS METROPOLITAN DISTRICT NO. 4
2024 BUDGET RESOLUTION

The Board of Directors of the Erie Highlands Metropolitan District No. 4, Town of Erie, Weld County, Colorado held a continued special meeting on Tuesday, January 9, 2024, at the hour of 4:00 P.M., via video conference at <https://us06web.zoom.us/j/89998531657?pwd=ZaxYarkvMawy8aVj7dJyDCB9DjwBCW.1> and via telephone conference at Dial-In: 1-719-359-4580, Meeting ID: 899 9853 1657, Passcode: 843126.

The following members of the Board of Directors were present:

President: Greg Saia
Treasurer/Secretary: Chris Carlton
Assistant Secretary: Bertrand J. Bauer
Assistant Secretary: Brandon Wyszynski

Also present were: Matt Ruhland, Cockrel Ela Glesne Greher & Ruhland, P.C.; Jeffrey Erb, Erb Law, LLC; Joan M. Fritsche, Fritsche Law LLC; Jerry Jacobs and Brittany Barnett, Timberline District Consulting, LLC; Emma Francis, MSI, LLC; Shelby Clymer and Alyssa Ferreira, CliftonLarsonAllen LLP; Jennifer L. Ivey, Icenogle Seaver Pogue, P.C.; Brett Price, Oakwood Homes; the following members of the Boards of Directors of Erie Highlands Metropolitan District No. 1, No. 2 or Nos. 3 and 5: Josh Malm, Sam Mayer, Jason Manley, Kristine Fillius, Tonya Baca, Mitchell Gonzales, Keith Kauffman, Andrew J. Matyus, and Todd Bloom; and approximately 2 members of the public.

Ms. Ivey reported that proper notice was made to allow the Board of Directors of the Erie Highlands Metropolitan District No. 4 to conduct a public hearing on the 2024 budget on December 12, 2023 and, prior to the meeting, each of the directors had been notified of the date, time and place of this meeting and the purpose for which it was called. It was further reported that this meeting is a continued special meeting of the Board of Directors of the District and that a notice of special meeting was posted on a public website of the District, <https://ehmd.specialdistrict.org/>, no less than twenty-four hours prior to the holding of the meeting, and to the best of her knowledge, remains posted to the date of this meeting.

Thereupon, Director Wyszynski introduced and moved the adoption of the following Resolution:

RESOLUTION

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET, APPROPRIATING SUMS OF MONEY TO EACH FUND IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN AND LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2024 TO HELP DEFRAY THE COSTS OF GOVERNMENT FOR THE ERIE HIGHLANDS METROPOLITAN DISTRICT NO. 4, TOWN OF ERIE, WELD 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 Erie Highlands Metropolitan District No. 4 (the "District") has authorized its treasurer and accountant to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, the proposed budget was submitted to the Board for its review and consideration on or before October 15, 2023; and

WHEREAS, the proposed budget is more than fifty thousand dollars (\$50,000.00), due and proper notice was published on Wednesday, November 22, 2023, in the *Colorado Hometown Weekly*, indicating (i) the date and time of the hearing at which the adoption of the proposed budget will be considered; (ii) that the proposed budget is available for inspection by the public at a designated place; (iii) that any interested elector of the District may file any objections to the proposed budget at any time prior to the final adoption of the budget by the District; and (iv) if applicable, the amount of the District's increased property tax revenues resulting from a request to the Division of Local Government pursuant to Section 29-1-302(1), C.R.S.; and an original publisher's Affidavit of Publication is attached hereto as Exhibit A and incorporated herein by this reference; and

WHEREAS, the proposed budget was open for inspection by the public at the designated place; and

WHEREAS, a public hearing was held on Tuesday, December 12, 2023 and interested electors were given the opportunity to file or register any objections to said proposed budget and any such objections were considered by the Board; 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 Section 29-1-301, C.R.S., and 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; and

WHEREAS, pursuant to Section 29-1-113(1), C.R.S., the Board shall cause a certified copy of the budget, including the budget message and any resolutions adopting the budget, appropriating moneys and fixing the rate of any mill levy, to be filed with the Division of Local Government within thirty (30) days following the beginning of the fiscal year of the budget adopted; and

WHEREAS, pursuant to Section 32-1-1201, C.R.S., the Board shall determine in each year the amount of money necessary to be raised by taxation, taking into consideration those items required by law, and shall certify the rate so fixed to the board of county commissioners of each county within the District or having a portion of its territory within the District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE ERIE HIGHLANDS METROPOLITAN DISTRICT NO. 4, TOWN OF ERIE, WELD COUNTY, COLORADO:

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 as Exhibit B and incorporated herein by this reference, are accepted and approved.

Section 2. Adoption of Budget. That the budget as submitted, and if amended, then as amended, and attached hereto as Exhibit B and is approved and adopted as the budget of the District for fiscal year 2024. In the event the final assessed valuation provided by the Weld County Assessor's Office differs from the assessed valuation used in the proposed budget, the District's accountant is hereby directed to modify and/or adjust the budget and mill levy certification as needed to reflect the final assessed valuation without the need for additional Board authorization.

Section 3. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

Section 4. Budget Certification. That the budget shall be certified by Chris Carlton, Secretary and Treasurer of the District, and made a part of the public records of the District and a certified copy of the approved and adopted budget shall be filed with the Division of Local Government.

Section 5. 2024 Levy of General Property Taxes. That the attached budget indicates that the amount of money from general property taxes necessary to balance the budget for the General Fund for operating expenses is \$622 and that the 2023 valuation for assessment, as certified by the Weld County Assessor, is \$29,930. 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 20.788 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2024.

Section 6. 2024 Levy of Debt Retirement Expenses. That the attached budget indicates that the amount of money from general property taxes necessary to balance the budget for the Debt Service Fund for debt retirement expense is \$1,556 and that the 2023 valuation for assessment, as certified by the Weld County Assessor, is \$29,930. 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 51.971 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2024.

Section 7. 2024 Mill Levy Adjustment. The Board may adjust the mill levy, as specifically set forth in the District's Service Plan (the "Adjusted Mill Levy"). The Board hereby determines in good faith to establish the Adjusted Mill Levy as set forth in the mill levy certification attached hereto as Exhibit C pursuant to the authority granted by its Service Plan to ensure that the District's revenues shall be neither diminished nor enhanced as a result of the changes effecting the mill levy. Subject to adjustment and finalization by the District's accountant in accordance with Section 2 hereof, the Board further authorizes that the Adjusted Mill Levy be reflected in the District's Certification of Tax Levies to be submitted to the Board of County Commissioners of Weld County as required by law, for collection in 2024.

Section 8. Certification to County Commissioners. That the Board Secretary and/or District's accountant are hereby authorized and directed to immediately certify to the Board of County Commissioners of Weld County, the mill levy for the District hereinabove determined and set. That said certification shall be in substantially the following form attached hereto as Exhibit C and incorporated herein by this reference.

[The remainder of this page is intentionally left blank.]

The foregoing Resolution was seconded by Director Carlton.

RESOLUTION APPROVED AND ADOPTED THIS 9TH DAY OF JANUARY 2024.

ERIE HIGHLANDS METROPOLITAN DISTRICT NO. 4

DocuSigned by:
Greg Saia
6D30489556BE424...

By: Greg Saia
Its: President

ATTEST:

DocuSigned by:
Chris Carlton
B18217EDE74A41D...

By: Chris Carlton
Its: Secretary/Treasurer

STATE OF COLORADO
COUNTY OF WELD, TOWN OF ERIE
ERIE HIGHLANDS METROPOLITAN DISTRICT NO. 4

I, Chris Carlton, hereby certify that I am a director and the duly elected and qualified Secretary and Treasurer of the Erie Highlands Metropolitan District No. 4, and that the foregoing constitutes a true and correct copy of the record of proceedings of the Board of Directors of the District, adopted at a continued special meeting of the Board of Directors of the Erie Highlands Metropolitan District No. 4 held on Tuesday, January 9, 2024, via video conference at <https://us06web.zoom.us/j/89998531657?pwd=ZaxYarkvMawy8aVj7dJyDCB9DjwBCW.1> and via telephone conference at Dial-In: 1-719-359-4580, Meeting ID: 899 9853 1657, Passcode: 843126, as recorded in the official record of the proceedings of the District, and the special meeting of the Board of Directors of the Erie Highlands Metropolitan District No. 4 held on Tuesday, December 12, 2023, via video conference at <https://us06web.zoom.us/j/83456004224?pwd=tH9T3E7YrYjbSHMhppO15NCY2YznPG.1> and via telephone conference at Dial-In: 1-719-359-4580, Meeting ID: 834 5600 4224, Passcode: 509390, insofar as said proceedings relate to the public hearing for the budget for fiscal year 2024; and 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 and affixed the official seal of the District this 9th day of January 2024.

DocuSigned by:
Chris Carlton
B18217EDE74A41D...

Chris Carlton, Secretary/Treasurer

[SEAL]



EXHIBIT A

Affidavit
Notice as to Proposed 2024 Budget

**NOTICE AS TO PROPOSED 2024 BUDGET AND HEARING
ERIE HIGHLANDS METROPOLITAN DISTRICT NO. 4**

NOTICE IS HEREBY GIVEN that a proposed budget has been submitted to the ERIE HIGHLANDS METROPOLITAN DISTRICT NO. 4 for the ensuing year of 2024. A copy of such proposed budget has been filed in the office of CliftonLarsonAllen LLP, 8590 East Crescent Parkway, Suite 300, Greenwood Village, Colorado, where same is open for public inspection. Such proposed budget will be considered at a hearing at the special meeting of the Erie Highlands Metropolitan District No. 4 to be held at 3:00 P.M., on Tuesday, December 12, 2023. The meeting will be held via video conference at <https://us06web.zoom.us/j/83456004224?pwd=H9T3E7YrYjB5MhppO15NCY2YznpG.1> and via telephone conference at Dial-In: 1-719-359-4580. Meeting ID: 834 5600 4224, Passcode: 509390. Any interested elector within the Erie Highlands Metropolitan District No. 4 may inspect the proposed budget and file or register any objections at any time prior to the final adoption of the 2024 budget.

BY ORDER OF THE BOARD OF DIRECTORS:
ERIE HIGHLANDS METROPOLITAN DISTRICT NO. 4

By: /s/ ICENOGLIE | SEAVER | POGUE
A Professional Corporation

Published: Colorado Hometown Weekly November 22, 2023-2017198

Prairie Mountain Media, LLC

PUBLISHER'S AFFIDAVIT

County of Boulder
State of Colorado

The undersigned, Agent, being first duly sworn under oath, states and affirms as follows:

1. He/she is the legal Advertising Reviewer of Prairie Mountain Media LLC, publisher of the *Colorado Hometown*.
2. The *Colorado Hometown* is a newspaper of general circulation that has been published continuously and without interruption for at least fifty-two weeks in Boulder County and meets the legal requisites for a legal newspaper under Colo. Rev. Stat. 24-70-103.
3. The notice that is attached hereto is a true copy, published in the *Colorado Hometown* in Boulder County on the following date(s):

Nov 22, 2023



Signature

Subscribed and sworn to me before me this
22nd day of November 2023.



Notary Public

**SHAYLA NAJERA
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20174031965
MY COMMISSION EXPIRES July 31, 2025**

(SEAL)

Account: 1051343
Ad Number: 2017198
Fee: \$28.13

**NOTICE AS TO PROPOSED 2024 BUDGET AND HEARING
ERIE HIGHLANDS METROPOLITAN DISTRICT NO. 4**

NOTICE IS HEREBY GIVEN that a proposed budget has been submitted to the **ERIE HIGHLANDS METROPOLITAN DISTRICT NO. 4** for the ensuing year of 2024. A copy of such proposed budget has been filed in the office of CliftonLarsonAllen LLP, 8390 East Crescent Parkway, Suite 300, Greenwood Village, Colorado, where same is open for public inspection. Such proposed budget will be considered at a hearing at the special meeting of the Erie Highlands Metropolitan District No. 4 to be held at 3:00 P.M., on Tuesday, December 12, 2023. The meeting will be held via video conference at <https://us06web.zoom.us/j/83456004224?pwd=tH9T3E7YrYjbSHMhppO15NCY2YznPG.1> and via telephone conference at Dial-In: 1-719-359-4580, Meeting ID: 834 5600 4224, Passcode: 509390. Any interested elector within the Erie Highlands Metropolitan District No. 4 may inspect the proposed budget and file or register any objections at any time prior to the final adoption of the 2024 budget.

BY ORDER OF THE BOARD OF DIRECTORS:
ERIE HIGHLANDS METROPOLITAN DISTRICT NO. 4

By: /s/ ICENOGLE | SEAVER | POGUE
A Professional Corporation

Publish In: *Colorado Hometown Weekly*
Publish On: Wednesday, November 22, 2023

EXHIBIT B

Budget Document
Budget Message

ERIE HIGHLANDS METROPOLITAN DISTRICT NO. 4
ANNUAL BUDGET
FOR YEAR ENDING DECEMBER 31, 2024

**ERIE HIGHLANDS METROPOLITAN DISTRICT NO. 4
SUMMARY
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/12/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 56,143	\$ 38,760	\$ 62,571
REVENUES			
Property taxes	16,669	22,241	2,178
Specific ownership taxes	987	937	87
District fees	9,720	53,000	91,045
Interest income	2,704	9,000	2,000
Other revenue	7,122	44,500	200
Developer advance	200,000	75,000	-
Developer contribution	-	22,223	-
Insurance proceeds	-	34,398	-
Clubhouse rental	6,700	7,000	5,000
Design review fees	7,500	7,500	5,000
Transfer from District No. 1	342,199	339,414	427,899
Transfer from District No. 2	157,345	196,625	309,355
Transfer from District No. 3	11,735	27,277	8,590
Transfer from District No. 5	4,973	6,568	638
Total revenues	<u>767,654</u>	<u>845,683</u>	<u>851,992</u>
Total funds available	<u>823,797</u>	<u>884,443</u>	<u>914,563</u>
EXPENDITURES			
General Fund	770,450	739,834	736,600
Carriage House Fund	14,407	81,800	90,550
Debt Service Fund	180	238	61,563
Total expenditures	<u>785,037</u>	<u>821,872</u>	<u>888,713</u>
Total expenditures and transfers out requiring appropriation	<u>785,037</u>	<u>821,872</u>	<u>888,713</u>
ENDING FUND BALANCES	<u>\$ 38,760</u>	<u>\$ 62,571</u>	<u>\$ 25,850</u>
EMERGENCY RESERVE	\$ 16,400	\$ 19,900	\$ 22,800
CARRIAGE HOUSE FUND RESERVE	300	2,700	2,800
TOTAL RESERVE	<u>\$ 16,700</u>	<u>\$ 22,600</u>	<u>\$ 25,600</u>

No assurance provided. See summary of significant assumptions.

ERIE HIGHLANDS METROPOLITAN DISTRICT NO. 4
PROPERTY TAX SUMMARY INFORMATION
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,

1/12/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
ASSESSED VALUATION			
State assessed	\$ 22,730	\$ 31,250	\$ 8,820
Vacant land	112,100	112,100	20
Oil and gas	79,070	174,380	21,090
Certified Assessed Value	\$ 213,900	\$ 317,730	\$ 29,930
 MILL LEVY			
General	22.265	20.000	20.788
Debt Service	55.663	50.000	51.971
Total mill levy	77.928	70.000	72.759
 PROPERTY TAXES			
General	\$ 4,762	\$ 6,355	\$ 622
Debt Service	11,907	15,886	1,556
Budgeted property taxes	\$ 16,669	\$ 22,241	\$ 2,178
 BUDGETED PROPERTY TAXES			
General	\$ 4,762	\$ 6,355	\$ 622
Debt Service	11,907	15,886	1,556
	\$ 16,669	\$ 22,241	\$ 2,178

No assurance provided. See summary of significant assumptions.

**ERIE HIGHLANDS METROPOLITAN DISTRICT NO. 4
GENERAL FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/12/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 24,940	\$ (188)	\$ 113
REVENUES			
Property taxes	4,762	6,355	622
Specific ownership taxes	282	275	25
Interest income	2,704	9,000	2,000
Developer advance	200,000	75,000	-
Developer contribution	-	22,223	-
Insurance proceeds	-	34,398	-
Clubhouse rental	6,700	7,000	5,000
Other revenue	7,122	8,500	200
Design review fees	7,500	7,500	5,000
Transfer from District No. 1	342,199	339,414	427,899
Transfer from District No. 2	157,345	196,625	309,355
Transfer from District No. 3	11,735	27,277	8,590
Transfer from District No. 5	4,973	6,568	638
Total revenues	<u>745,322</u>	<u>740,135</u>	<u>759,329</u>
Total funds available	<u>770,262</u>	<u>739,947</u>	<u>759,442</u>
EXPENDITURES			
General and administrative			
Accounting	71,629	65,000	67,000
Auditing	14,700	15,300	16,000
County Treasurer's fees	71	95	9
Dues and membership	2,290	1,723	2,500
Insurance	33,695	39,000	40,000
District management	78,000	68,000	63,000
Legal	54,691	105,000	40,000
Miscellaneous	8,409	22,000	9,000
Election	11,553	12,697	-
Contingency	-	-	38
Operations and maintenance			
Landscaping	110,805	86,000	112,500
Covenant control and inspections	34,895	35,000	35,250
Irrigation repairs	6,632	12,000	22,500
Snow removal	28,050	30,000	50,000
Plant material replacements	9,875	-	-
Repairs and maintenance	844	500	3,750
Holiday lights	9,967	-	-
Playground equipment maintenance	-	-	3,750
Native area maintenance	1,248	-	3,750
Monument maintenance	866	-	1,500
Concrete repairs	-	-	1,875
Landscape repairs	188	-	1,875
Fence repairs	63	-	1,500
Utilities	49,781	31,000	30,000
Clubhouse operations			
Clubhouse management	12,094	15,000	15,000
Clubhouse operations and maintenance	24,981	20,000	18,750
Security	4,981	-	4,125
Work order repairs and maintenance	3,738	9,000	9,000
Clubhouse rentals/events	11,148	5,000	5,625
Cleaning and supplies	7,153	12,000	7,500
Clubhouse general repairs	12,624	5,000	3,750
Clubhouse electric repairs	1,300	500	1,875
Clubhouse plumbing repairs	255	1,000	1,875
Mechanical systems repair	-	-	1,125
Fencing repairs - Clubhouse	-	-	750
Grounds maintenance	2,468	-	7,800
Plant material replacements - Clubhouse	3,862	-	2,625
Irrigation repairs - Clubhouse	-	450	1,500
Snow removal - Clubhouse	5,147	7,000	7,500
Utilities - Clubhouse	42,501	35,000	40,000
Pool operations			
Lifeguards	49,054	43,236	47,753
Pool maintenance	34,268	30,743	26,250
Pool chemicals	14,219	10,598	13,000
Pool repairs	12,425	6,992	7,500
Hot tub maintenance	-	15,000	7,500
Total expenditures	<u>770,450</u>	<u>739,834</u>	<u>736,600</u>
Total expenditures and transfers out requiring appropriation	<u>770,450</u>	<u>739,834</u>	<u>736,600</u>
ENDING FUND BALANCES	\$ (188)	\$ 113	\$ 22,842
EMERGENCY RESERVE	\$ 16,400	\$ 19,900	\$ 22,800
TOTAL RESERVE	<u>\$ 16,400</u>	<u>\$ 19,900</u>	<u>\$ 22,800</u>

No assurance provided. See summary of significant assumptions.

**ERIE HIGHLANDS METROPOLITAN DISTRICT NO. 4
CARRIAGE HOUSE FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/12/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ (4,687)	\$ 2,513
REVENUES			
District fees	9,720	53,000	103,138
Other revenue	-	36,000	-
Total revenues	<u>9,720</u>	<u>89,000</u>	<u>103,138</u>
Total funds available	<u>9,720</u>	<u>84,313</u>	<u>105,651</u>
EXPENDITURES			
General and administrative			
Billing	5,677	16,000	18,000
Miscellaneous	149	-	-
Contingency	-	300	-
Operations and maintenance			
Landscape maintenance	1,031	29,000	32,500
Operations maintenance	5,656	20,000	20,000
Snow removal	1,894	15,000	25,000
Covenant control	-	1,000	2,500
Repairs and maintenance	-	500	-
Winter watering	-	-	1,000
Irrigation repairs	-	-	3,500
Total expenditures	<u>14,407</u>	<u>81,800</u>	<u>102,500</u>
Total expenditures and transfers out requiring appropriation	<u>14,407</u>	<u>81,800</u>	<u>102,500</u>
ENDING FUND BALANCES	<u>\$ (4,687)</u>	<u>\$ 2,513</u>	<u>\$ 3,151</u>
CARRIAGE HOUSE FUND RESERVE	<u>\$ 300</u>	<u>\$ 2,700</u>	<u>\$ 3,100</u>

No assurance provided. See summary of significant assumptions.

**ERIE HIGHLANDS METROPOLITAN DISTRICT NO. 4
DEBT SERVICE FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/12/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 31,203	\$ 43,635	\$ 59,945
REVENUES			
Property taxes	11,907	15,886	1,556
Specific ownership taxes	705	662	62
Total revenues	<u>12,612</u>	<u>16,548</u>	<u>1,618</u>
Total funds available	<u>43,815</u>	<u>60,183</u>	<u>61,563</u>
EXPENDITURES			
General and administrative			
County Treasurer's fees	180	238	23
Contingency	-	-	540
Debt Service			
Developer note repayment	-	-	61,000
Total expenditures	<u>180</u>	<u>238</u>	<u>61,563</u>
Total expenditures and transfers out requiring appropriation	<u>180</u>	<u>238</u>	<u>61,563</u>
ENDING FUND BALANCES	<u>\$ 43,635</u>	<u>\$ 59,945</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**ERIE HIGHLANDS METROPOLITAN DISTRICT NO. 4
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District, a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by order and decree of the District Court for Weld County, Colorado on November 24, 2013, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under a Consolidated Service Plan approved by the Town of Erie on September 24, 2013. The District's service area is located entirely within the Town of Erie, Weld County, Colorado.

The District was organized in conjunction with Erie Highlands Metropolitan District No. 1, Erie Highlands Metropolitan District No. 2, Erie Highlands Metropolitan District No. 3, and Erie Highlands Metropolitan District No. 5 (collectively, "the Districts"). The Districts were established to provide financing for the operations and maintenance and planning, design, acquisition, construction, and installation of public improvements, including mosquito elimination and control, fire protection, parks and recreation, traffic and safety control, sanitation services, street improvements, television relay and translator, transportation, water, solid waste disposal, and covenant enforcement. The District pays all operating expenses for District Nos. 1, 2, 3, 4 and 5. District Nos. 1, 2, 3 and 5 levy ad valorem taxes on taxable properties within each District and transfer such proceeds to the District.

On November 5, 2013, the District's voters authorized total indebtedness of \$60,000,000 for each of the following listed facilities; mosquito elimination and control, parks and recreation, traffic and safety control, sanitation services, street improvements, television relay and translator, transportation, water, and operations and maintenance. Voters also authorized indebtedness of \$60,000,000 for encumbrances on District real and personal property, \$60,000,000 for management agreements, and \$60,000,000 for refunding of debt. Pursuant to the Consolidated Service Plan, each District shall not issue debt in an aggregate amount in excess of \$60,000,000. Additionally, the maximum debt mill levy is 50 mills as adjusted, which shall not be imposed for longer than 40 years after the year of the initial imposition of such debt mill levy. The election also approved an annual increase in property taxes of \$2,000,000 as derived from a maximum mill levy of 20 mills as adjusted, to pay the District's operation and maintenance costs.

In the event the residential assessment ratio changes, on or after January 1st, 2014, the District may increase or decrease the mill levies, (as authorized under the District's Service Plan) so that to the extent possible, the actual tax revenues generated by the mill levies, as adjusted, are neither diminished nor enhanced as a result of such changes. For tax collection year 2024, the maximum mill levies for operations and debt service are 20.788 mills and 51.971 mills, respectively.

The District has no employees and all administrative functions are contracted.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

**ERIE HIGHLANDS METROPOLITAN DISTRICT NO. 4
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues

Property Taxes

Property taxes are levied by the District’s Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer’s election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

The calculation of the taxes levied is displayed on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

For property tax collection year 2024, SB22-238 and SB23B-001 set the assessment rates and actual value reductions as follows:

Category	Rate	Category	Rate	Actual Value Reduction	Amount
Single-Family Residential	6.70%	Agricultural Land	26.40%	Single-Family Residential	\$55,000
Multi-Family Residential	6.70%	Renewable Energy Land	26.40%	Multi-Family Residential	\$55,000
Commercial	27.90%	Vacant Land	27.90%	Commercial	\$30,000
Industrial	27.90%	Personal Property	27.90%	Industrial	\$30,000
Lodging	27.90%	State Assessed	27.90%	Lodging	\$30,000
		Oil & Gas Production	87.50%		

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District’s share will be equal to approximately 4% of the property taxes collected.

Developer Advances

Developer advances are expected to fund a portion of general fund expenditures. Developer advances are to be recorded as revenue for budget purposes with an obligation for future repayment when the District is financially able to reimburse the Developer.

**ERIE HIGHLANDS METROPOLITAN DISTRICT NO. 4
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues – (Continued)

Transfer from Other Districts

Pursuant to an Intergovernmental Agreement Concerning District Operations, District Nos. 1, 2, 3, and 5 are obligated to impose a mill levy which will be sufficient to promptly and fully pay the amounts to be paid under this agreement, as well as all other general obligation indebtedness of the District, as the same become due. District Nos. 1, 2, 3, and 5 are required to remit property taxes derived from such mill levy, together with specific ownership taxes applicable to property within the Districts less County Treasurer Fees, to the District. The District anticipates receiving funds for operations under this agreement, as shown in the General Fund budget. Administrative, operating and capital outlay expenditures are paid by the District on behalf of all the Districts.

Design Review Fees

The District receives Landscape Design Review Fees for each property sold.

Carriage House District Fees

The District anticipates collecting fees from owners of carriage houses to maintain common areas within the carriage house community.

Expenditures

General and Administrative Expenditures

Administrative expenditures include the estimated services necessary to maintain the administrative viability such as legal, management, accounting, insurance and meeting expense of District Nos. 1, 2, 3, 4, and 5.

Operations and Maintenance

Facilities that are constructed by the District are either turned over to a third party for maintenance (i.e. streets to the Town of Erie) or maintained by the District. The budget reflects the District's operational expenditures in order to maintain assets not conveyed to other entities.

In addition, the cost of operating the Clubhouse and pool are also included under this category.

County Treasurer's Fees

County Treasurer's fees have been computed at 1.5% of property tax collections.

**ERIE HIGHLANDS METROPOLITAN DISTRICT NO. 4
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases

The District has no operating or capital leases.

The District has outstanding developer advances. The anticipated developer advances are as follows:

	Balance - December 31, 2022	Additions	Reductions	Balance - December 31, 2023*	Additions	Reductions	Balance - December 31, 2024
Developer Advances:							
Operations:							
Principal	\$ 1,326,531	\$ 75,000	\$ -	\$ 1,401,531	\$ -	\$ -	\$ 1,401,531
Interest	247,049	109,122	-	356,171	112,122	61,000	407,294
Capital:							
Principal	181,018	-	-	181,018	-	-	181,018
Interest	11,129	14,481	-	25,610	14,481	-	40,092
Total	\$ 1,765,727	\$ 198,604	\$ -	\$ 1,964,331	\$ 126,604	\$ 61,000	\$ 2,029,935

*Estimates

Reserve Funds

Emergency Reserve

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year spending.

Carriage House Fund Reserve

The District has provided a reserve for operating contingencies. This reserve is included as part of the District's Carriage House Fund Balance.

This information is an integral part of the accompanying budget.

EXHIBIT C

Certification of Tax Levy

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Weld County, Colorado.

On behalf of the Erie Highlands Metropolitan District No. 4

(taxing entity)^A

the Board of Directors

(governing body)^B

of the Erie Highlands Metropolitan District No. 4

(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 29,930 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: \$ 29,930

(NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
 USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 01/09/2024 for budget/fiscal year 2024
 (no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)

LEVY²

REVENUE²

1. General Operating Expenses ^H	<u>20.788</u> mills	\$ <u>622</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	<u>20.788</u> mills	\$ <u>622</u>
3. General Obligation Bonds and Interest ^J	_____ mills	\$ _____
4. Contractual Obligations ^K	<u>51.971</u> mills	\$ <u>1,556</u>
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]

72.759 mills

\$ 2,178

Contact person: Shelby Clymer

Phone: (303)779-5710

Signed: Shelby Clymer

Title: Accountant for District

Survey Question: Does the taxing entity have voter approval to adjust the general operating levy to account for changes to assessment rates? Yes No

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

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: _____
 Series: _____
 Date of Issue: _____
 Coupon Rate: _____
 Maturity Date: _____
 Levy: _____
 Revenue: _____

2. Purpose of Issue: _____
 Series: _____
 Date of Issue: _____
 Coupon Rate: _____
 Maturity Date: _____
 Levy: _____
 Revenue: _____

CONTRACTS^K:

3. Purpose of Contract: Infrastructure improvements
 Title: Advance and Reimbursement and Facilities Acquisition Agreement
 Date: July 3, 2017
 Principal Amount: Approximately \$256,018
 Maturity Date: N/A
 Levy: 51.971
 Revenue: \$ 1,556

4. Purpose of Contract: _____
 Title: _____
 Date: _____
 Principal Amount: _____
 Maturity Date: _____
 Levy: _____
 Revenue: _____

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Erie Highlands Metropolitan District No. 4 of Weld County, Colorado on this 9th day of January 2024.

DocuSigned by:
Chris Carlton
B18217EDE74A41D...
Chris Carlton, Secretary/Treasurer

