

RESOLUTION
ADOPTING BUDGET, IMPOSING MILL LEVY AND APPROPRIATING FUNDS

(2023)

The Board of Directors of Elbert and Highway 86 Metropolitan District (the “**Board**”), Elbert County, Colorado (the “**District**”) held a regular meeting via tele/videoconference pursuant to their Emergency Declaration Resolution, on Tuesday, December 6, 2022, at the hour of 6:00 P.M.

Prior to the meeting, each of the directors was notified of the date, time and place of the budget meeting and the purpose for which it was called, and a notice of the meeting was posted or published in accordance with §29-1-106, C.R.S.

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NOTICE AS TO PROPOSED 2023 BUDGET

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET AND APPROPRIATING SUMS OF MONEY TO EACH FUND IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE DISTRICT FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2023 AND ENDING ON THE LAST DAY OF DECEMBER 2023.

WHEREAS, the Board has authorized its accountant and/or legal counsel to prepare and submit a proposed budget to the Board in accordance with Colorado law; and

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

WHEREAS, upon due and proper notice, provided in accordance with Colorado law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on December 6, 2022, interested electors were given the opportunity to file or present any objections to said proposed budget at any time prior to final adoption of the budget by the Board.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

Section 1. Adoption of Budget. The budget attached hereto and incorporated herein is approved and adopted as the budget of the District for fiscal year 2023. 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. Levy for General Operating Expenses. For the purpose of meeting all general operating expenses of the District during the 2023 budget year, there is hereby levied a

tax of 10.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 3. Levy for Debt Service Obligations. For the purposes of meeting all debt service obligations of the District during the 2023 budget year, there is hereby levied a tax of 43.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 4. Levy for Contractual Obligation Expenses. For the purposes of meeting all contractual obligations of the District during the 2023 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 5. Levy for Capital Project Expenses. For the purposes of meeting all capital project obligations of the District during the 2023 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 6. Certification to County Commissioners. The Board directs its legal counsel, manager, accountant or other designee to certify to the Board of County Commissioners of Elbert County, Colorado the mill levies for the District as set forth herein. Such certification shall be in compliance with the requirements of Colorado law.

Section 7. Appropriations. The amounts set forth as expenditures in the budget attached hereto are hereby appropriated.

Section 8. 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 31 of the ensuing year.

Section 9. Budget Certification. The budget shall be certified by a member of the District, or a person appointed by the District, and made a part of the public records of the District.

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ADOPTED THIS 6th DAY OF December, 2022

ELBERT AND HIGHWAY 86 METROPOLITAN
DISTRICT

Larry Gable

Larry Gable (Jan 27, 2023 11:00 MST)

Officer of District

ATTEST:

B A Eidt

B A Eidt (Jan 27, 2023 14:20 MST)

STATE OF COLORADO
COUNTY OF ELBERT
ELBERT AND HIGHWAY 86 METROPOLITAN DISTRICT

I hereby certify that the foregoing resolution constitutes a true and correct copy of the record of proceedings of the Board adopted at a District meeting held on Tuesday, December 6, 2022, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 6th day of December, 2022.

John Kent

EXHIBIT A
BUDGET DOCUMENT
BUDGET MESSAGE

BUDGET MESSAGE

(Pursuant to § 29-1-103(1) (e), C.R.S.)

Elbert & Highway 86 Metropolitan District

The attached 2023 Budget for Elbert & Highway 86 Metropolitan District includes these important features:

- The primary sources of revenue for the District are taxes, investments, and fees.
- The District has provided an Emergency Reserve fund equal to at least 3% of fiscal year
- The Mill Levy for the General Fund remained the same at 10 mills. The Mill Levy for the Debt Service Fund remained the same at 43 mills.
- Payment of debt service obligations.

The Budgetary basis of accounting timing measurement method used is:

- Cash basis
 Modified accrual basis
 Encumbrance basis
 Accrual basis

The District uses funds to budget and report on the financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions. The various funds determine the total District budget. All of the district's funds are considered Governmental Funds and are reported using the current financial resources and the modified accrual basis of accounting. Revenues are recognized when they are measurable and available. Revenues are considered available when they are collectible within the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures, other than the interest on long term obligations, are recorded when the liability is incurred or the long-term obligation is paid.

The services to be provided/ delivered during the budget year are the following:

The District, a quasi-municipal corporation and political subdivision of the State of Colorado, was organized by order and decree of the District Court for Elbert County on November 26, 2002, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under a Service Plan approved by the County on July 10, 2002, and as modified on October 2, 2002. The District's service area is located entirely in Elbert County, Colorado. The District was established to provide financing for the construction of improvements for streets and safety control, landscaping, storm drainage, water, sewer, television relay, and park and recreation improvements and facilities.



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Colorado Springs, CO 80903
(719) 447-1777

On November 5, 2002, the District's voters authorized general obligation indebtedness of \$3,390,290 for streets, \$1,655,947 for water facilities, \$227,895 for sewer and storm drainage facilities, \$225,868 for parks and recreation, and \$108,500 for general operations and maintenance. The election also approved an annual increase in taxes of \$60,000 for general operations and maintenance and \$5,500,000 for repayment of the combined approved debt.

The District has no employees and all operations and 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.

ELBERT & HIGHWAY 86 METROPOLITAN DISTRICT

**2023 BUDGET
GENERAL FUND**

	2021	2022	2022	2023
	ACTUAL	PROJECTED/ ACTUAL	BUDGET	BUDGET
GENERAL FUND BEGINNING BALANCE	\$ 6,636	\$ 3,962	\$ 410,975	\$ 41,510
REVENUES				
PROPERTY TAXES	\$ 130,256	\$ 95,337	\$ 96,338	\$ 93,022
SPECIFIC OWNERSHIP TAXES	\$ 21,172	\$ 15,909	\$ 9,634	\$ 6,512
DELINQUENT INTEREST		\$ 178		
SENIOR/VET EXEMPTION		\$ 1,001		
INTEREST INCOME	\$ 298	\$ 50	\$ 500	\$ 150
GRANT INCOME	\$ -	\$ 1,011	\$ -	\$ -
FACILITY FEE	\$ 14,000	\$ -	\$ 14,000	
TOTAL REVENUES	\$ 165,726	\$ 113,486	\$ 120,471	\$ 99,684
TOTAL OF BALANCE AND REVENUES	\$ 172,362	\$ 117,447	\$ 531,446	\$ 141,194
EXPENDITURES				
ACCOUNTING	\$ 18,333	\$ -	\$ 12,000	\$ -
AUDIT	\$ 4,300	\$ 8,825	\$ 4,500	\$ 9,000
BANK CHARGE	\$ -	\$ 40	\$ -	\$ -
COUNTY TREASURERS FEE	\$ 3,822	\$ 2,865	\$ 2,890	\$ 2,791
DISTRICT MGMT/ACCOUNTING	\$ 43,355	\$ 27,000	\$ 15,000	\$ 30,000
DUE & LICENSES	\$ 325	\$ 637	\$ 600	\$ 1,000
ELECTION EXPENSE	\$ -	\$ 1,973	\$ 2,000	\$ 2,000
INSURANCE & BONDS	\$ 8,913	\$ 5,011	\$ 6,000	\$ 8,000
LEGAL SERVICES	\$ 84,192	\$ 19,114	\$ 20,000	\$ 10,000
MISCELLANEOUS	\$ 4	\$ 274	\$ 5,000	\$ 5,000
LANDSCAPING/SNOW REMOVAL	\$ -		\$ 7,500	\$ 7,500
REPAIRS/REPLACEMENTS		\$ 8,670	\$ -	\$ 10,000
TRAFFIC SIGNAL	\$ 4,258		\$ -	\$ -
UTILITIES	\$ 898	\$ 1,528	\$ 1,500	\$ 1,500
TOTAL EXPENDITURES	\$ 168,400	\$ 75,937	\$ 76,990	\$ 86,791
ENDING FUND BALANCE	\$ 3,962	\$ 41,510	\$ 454,456	\$ 54,403
EMERGENCY RESERVE 3%	\$ 5,052	\$ 2,278	\$ 2,310	\$ 2,604
ASSESSED VALUATION	\$ 8,563,198	\$ 9,633,770	\$ 9,633,770	\$ 9,302,220
MILL LEVY	\$ 15	\$ 15	\$ 10	\$ 10

**ELBERT & HIGHWAY 86 METROPOLITAN DISTRICT
2023 BUDGET**

	2021		2022		2022		2023
	ACTUAL		PROJECTED/ ACTUAL		BUDGET		BUDGET
DEBT SERVICE FUND BEGINNING BALANCE	\$ 842,911	\$	\$ 894,760	\$	\$ 894,760	\$	\$ 1,008,120
REVENUES							
PROPERTY TAXES	\$ 373,440	\$	\$ 409,948	\$	\$ 414,252	\$	\$ 399,995
SPECIFIC OWNERSHIP TAXES	\$ 60,697	\$	\$ 66,324	\$	\$ 41,425	\$	\$ 28,000
DELINQUENT INTEREST		\$	\$ 762				
SENIOR/VET EXEMPTION		\$	\$ 4,304				
INTEREST INCOME	\$ 849	\$	\$ 20,187	\$	\$ 2,000	\$	\$ 7,500
TOTAL REVENUES	<u>\$ 434,986</u>	\$	<u>\$ 501,525</u>	\$	<u>\$ 457,677</u>	\$	<u>\$ 435,495</u>
EXPENDITURES							
BOND INTEREST	\$ 274,912	\$	\$ 272,063	\$	\$ 272,063	\$	\$ 268,062
BOND PRINCIPAL	\$ 95,000	\$	\$ 100,000	\$	\$ 100,000	\$	\$ 100,000
BANK FEES	\$ -	\$	\$ 331	\$	\$ -	\$	\$ -
CONTINGENCY	\$ 19	\$	\$ 1,950				
COUNTY TREASURERS FEE	\$ 10,956	\$	\$ 12,321	\$	\$ 12,428	\$	\$ 12,000
PAYING AGENT FEE	\$ 2,250	\$	\$ 1,500	\$	\$ 3,000	\$	\$ 3,000
TOTAL EXPENDITURES	<u>\$ 383,137</u>	\$	<u>\$ 388,165</u>	\$	<u>\$ 387,491</u>	\$	<u>\$ 383,062</u>
ENDING BALANCE	<u>\$ 894,760</u>	\$	<u>\$ 1,008,120</u>	\$	<u>\$ 964,947</u>	\$	<u>\$ 1,060,553</u>
ASSESSED VALUATION	\$ 8,563,198	\$	\$ 9,633,770	\$	\$ 9,633,770	\$	\$ 9,302,220
MILL LEVY	\$ 43	\$	\$ 43	\$	\$ 43	\$	\$ 43
TOTAL MILL LEVY	\$ -	\$	\$ 53	\$	\$ 53	\$	\$ 53