

RESOLUTION
ADOPTING BUDGET, APPROPRIATING FUNDS AND CERTIFYING MILL LEVIES
FOR THE CALENDAR YEAR 2024

The Board of Directors of Lambertson Lakes Metropolitan District (the “**Board**”), City of Thornton, Adams County, Colorado (the “**District**”), held a regular meeting, via teleconference on November 20, 2023, 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 2024 BUDGET

NOTICE OF PUBLIC HEARING ON THE PROPOSED 2024 BUDGET
AND
NOTICE OF PUBLIC HEARING ON THE AMENDED 2023 BUDGET

The Board of Directors (the “**Board**”) of the LAMBERTSON LAKES METROPOLITAN DISTRICT (the “**District**”), will hold a public hearing via teleconference on NOVEMBER 20, 2023, at 6:00 P.M., to consider adoption of the District’s proposed 2024 budget (the “**Proposed Budget**”), and, if necessary, adoption of an amendment to the 2023 budget (the “**Amended Budget**”). The public hearing may be joined using the following teleconference information:

Join Zoom Meeting
<https://us06web.zoom.us/j/82706908665?pwd=dAT1PwtebXm1CoQKd3YdDmAOXv7RXa.1>
Meeting ID: 827 0690 8665
Passcode: 257962
Call in Numbers: 1(720)707-2699 or 1(719) 359-4580

The Proposed Budget and Amended Budget are available for inspection by the public at the offices of CliftonLarsonAllen, LLP, 8390 East Crescent Parkway, Suite 300, Greenwood Village, CO 80111.

Any interested elector of the District may file any objections to the Proposed Budget and Amended Budget at any time prior to the final adoption of the Proposed Budget or the Amended Budget by the Board.

The agenda for any meeting may be obtained at <https://lambertsonlakesmd.colorado.gov/> or by calling (303) 858-1800.

BY ORDER OF THE BOARD OF DIRECTORS:
**LAMBERTSON LAKES METROPOLITAN
DISTRICT**, a quasi-municipal corporation and political
subdivision of the State of Colorado

/s/ WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

WHEREAS, the Board has designated its accountant 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 and interested electors were given the opportunity to register their protest to the proposed budget prior to the 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 2024. 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 2024 budget year, there is hereby levied a tax of 3.850 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 2024 budget year, there is hereby levied a tax of 23.650 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 2024 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 2024 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. Mill Levy Adjustment. When developing the attached budget, consideration was given to any changes in the 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 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 7. Certification to County Commissioners. The Board directs its legal counsel, manager, accountant or other designee to certify to the Board of County Commissioners of Adams 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 8. Appropriations. The amounts set forth as expenditures in the budget attached hereto are hereby appropriated.

Section 9. 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.

Section 10. 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 NOVEMBER 20, 2023.

DISTRICT:

LAMBERTSON LAKES METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado

By: *Dennis C. Henson II*
Dennis C. Henson II (Dec 18, 2023 17:58 MST)

Officer of the District

Attest:

By: *Travis Lipstein*
Travis Lipstein (Dec 21, 2023 07:26 MST)

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law



General Counsel to the District

STATE OF COLORADO
COUNTY OF ADAMS
LAMBERTSON LAKES METROPOLITAN DISTRICT

I hereby certify that the foregoing resolution constitutes a true and correct copy of the record of proceedings of the Board adopted by a majority of the Board at a District meeting held via teleconference on Monday, November 20, 2023, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 20th day of November, 2023.

Travis Lipstein
Travis Lipstein (Dec 21, 2023 07:26 MST)

Signature

EXHIBIT A
BUDGET DOCUMENT
BUDGET MESSAGE

LAMBERTSON LAKES METROPOLITAN DISTRICT

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2024

**LAMBERTSON LAKES METROPOLITAN DISTRICT
SUMMARY
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/30/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 611,386	\$ 567,809	\$ 306,977
REVENUES			
Property taxes	917,713	882,480	707,781
Specific ownership taxes	67,236	59,400	49,544
Interest income	21,276	44,000	20,000
Total revenues	<u>1,006,225</u>	<u>985,880</u>	<u>777,325</u>
TRANSFERS IN	<u>-</u>	<u>200,000</u>	<u>160,807</u>
Total funds available	<u>1,617,611</u>	<u>1,753,689</u>	<u>1,245,109</u>
EXPENDITURES			
General Fund	42,916	53,350	65,000
Debt Service Fund	1,006,886	1,193,362	955,000
Total expenditures	<u>1,049,802</u>	<u>1,246,712</u>	<u>1,020,000</u>
TRANSFERS OUT	<u>-</u>	<u>200,000</u>	<u>160,807</u>
Total expenditures and transfers out requiring appropriation	<u>1,049,802</u>	<u>1,446,712</u>	<u>1,180,807</u>
ENDING FUND BALANCES	<u>\$ 567,809</u>	<u>\$ 306,977</u>	<u>\$ 64,302</u>
EMERGENCY RESERVE	<u>\$ 3,000</u>	<u>\$ 3,200</u>	<u>\$ 3,500</u>
TOTAL RESERVE	<u><u>\$ 3,000</u></u>	<u><u>\$ 3,200</u></u>	<u><u>\$ 3,500</u></u>

No assurance provided. See summary of significant assumptions.

**LAMBERTSON LAKES METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/30/24

ACTUAL	ESTIMATED	BUDGET
2022	2023	2024

ASSESSED VALUATION

Residential - Single Family	\$ 21,115,620	\$ 12,752,570	\$ 15,446,980
Residential - Multi - Family	-	7,616,000	9,541,980
State assessed	3,780	6,260	6,370
Vacant land	130	30	280
Personal property	730,840	636,570	741,890
Certified Assessed Value	\$ 21,850,370	\$ 21,011,430	\$ 25,737,500

MILL LEVY

General	3.850	3.850	3.850
Debt Service	38.150	38.150	23.650
Total mill levy	42.000	42.000	27.500

PROPERTY TAXES

General	\$ 84,124	\$ 80,894	\$ 99,089
Debt Service	833,592	801,586	608,692
Levied property taxes	917,716	882,480	707,781
Adjustments to actual/rounding	(3)	-	-
Budgeted property taxes	\$ 917,713	\$ 882,480	\$ 707,781

BUDGETED PROPERTY TAXES

General	\$ 84,154	\$ 80,894	\$ 99,089
Debt Service	833,559	801,586	608,692
	\$ 917,713	\$ 882,480	\$ 707,781

**LAMBERTSON LAKES METROPOLITAN DISTRICT
GENERAL FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/30/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 267,482	\$ 323,140	\$ 174,084
REVENUES			
Property taxes	84,154	80,894	99,089
Specific ownership taxes	6,166	5,400	6,936
Interest income	8,254	18,000	10,000
Total revenues	<u>98,574</u>	<u>104,294</u>	<u>116,025</u>
Total funds available	<u>366,056</u>	<u>427,434</u>	<u>290,109</u>
EXPENDITURES			
General and administrative			
Accounting	17,112	20,000	22,000
Auditing	5,400	6,000	7,000
County Treasurer's fee	1,262	1,213	1,486
Directors' fees	300	600	600
Dues and membership	305	497	600
Insurance	3,123	2,900	4,000
Legal	12,212	18,000	20,000
Miscellaneous	38	100	100
Election	3,164	4,040	-
Contingency	-	-	9,214
Total expenditures	<u>42,916</u>	<u>53,350</u>	<u>65,000</u>
TRANSFERS OUT			
Transfers to other fund	<u>-</u>	<u>200,000</u>	<u>160,807</u>
Total expenditures and transfers out requiring appropriation	<u>42,916</u>	<u>253,350</u>	<u>225,807</u>
ENDING FUND BALANCES	<u>\$ 323,140</u>	<u>\$ 174,084</u>	<u>\$ 64,302</u>
EMERGENCY RESERVE	<u>\$ 3,000</u>	<u>\$ 3,200</u>	<u>\$ 3,500</u>
TOTAL RESERVE	<u>\$ 3,000</u>	<u>\$ 3,200</u>	<u>\$ 3,500</u>

No assurance provided. See summary of significant assumptions.

**LAMBERTSON LAKES METROPOLITAN DISTRICT
DEBT SERVICE FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/30/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 343,904	\$ 244,669	\$ 132,893
REVENUES			
Property taxes	833,559	801,586	608,692
Specific ownership taxes	61,070	54,000	42,608
Interest income	13,022	26,000	10,000
Total revenues	<u>907,651</u>	<u>881,586</u>	<u>661,300</u>
TRANSFERS IN			
Transfers from other funds	<u>-</u>	<u>200,000</u>	<u>160,807</u>
Total funds available	<u>1,251,555</u>	<u>1,326,255</u>	<u>955,000</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	12,508	12,024	9,130
Contingency	-	-	2,830
Debt Service			
Loan interest	74,378	51,338	23,040
Loan principal	320,000	330,000	345,000
Early principal redemption	600,000	800,000	575,000
Total expenditures	<u>1,006,886</u>	<u>1,193,362</u>	<u>955,000</u>
Total expenditures and transfers out requiring appropriation	<u>1,006,886</u>	<u>1,193,362</u>	<u>955,000</u>
ENDING FUND BALANCES	<u>\$ 244,669</u>	<u>\$ 132,893</u>	<u>\$ -</u>

**LAMBERTSON LAKES METROPOLITAN DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

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 Adams County on November 28, 2000, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District's service area is located in Adams County, Colorado entirely within the City of Thornton.

The District was established to provide financing for the construction of streets, traffic and safety controls, storm drainage, sanitary sewer, water and parks and recreation facilities.

The budget is in accordance with the TABOR Amendment limitations that were modified by the voters in an election held on November 7, 2000. District voters approved authorization to increase property tax up to \$100,000 annually, without limitation of rate, to pay the District's operations, maintenance and other expenses. Additionally, the election allows the District to collect, spend and retain all revenues without regard to the limitations contained in Article X, Section 20 of the Colorado constitution. Emergency reserves, required under TABOR, have been provided.

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.

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.

**LAMBERTSON LAKES METROPOLITAN DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues - (continued)

Property Taxes – (continued)

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%		

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.

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 7% of the property taxes collected.

Interest Income

Interest earned on the District's available funds has been estimated based on historical interest earnings.

Expenditures

General and Administrative Expenditures

General and administrative expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, accounting, insurance, banking and meeting expenditures.

County Treasurer's Fees

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

Debt Service

The principal and interest payments in 2024 are provided based on the debt amortization schedule from the District's Limited Tax General Obligation Refunding Loan, Series 2016. The District anticipates paying off the Series 2016 Loan in 2024.

**LAMBERTSON LAKES METROPOLITAN DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases

Series 2016 Limited Tax General Obligation Refunding Loan

On September 15, 2016, the District refunded \$5,850,000 of General Obligation Refunding Bonds, Series 2006, by the issuance of \$5,835,000 Limited Tax General Obligation Refunding Loan, Series 2016 with an interest rate of 2.47%. The loan matures on December 1, 2032. Interest payments on the loan shall be due and payable semi-annually on June 1 and December 1 each year through maturity. Principal payments on the loan shall be due and payable on December 1 of each year through maturity. Principal payments shall be prepaid at the option of the District and with no prepayment fee on and after December 1, 2022. Prior to December 1, 2022, additional principal amounts may be prepaid with a redemption premium of (1) 3.00% from December 1, 2016 through November 30, 2018, (2) 2.00% from December 1, 2018 through November 30, 2020, or (3) 1.00% from December 1, 2020 through November 30, 2022.

The loan is secured by and payable from pledged revenues consisting of monies derived by the District from the following sources, net of any collection costs: (1) the required mill levy, (2) the portion of the specific ownership tax which is collected as a result of the imposition of the required mill levy, and (3) any other legally available monies which the District determines to apply to the payment of the loan. Required mill levy means an ad valorem mill levy imposed upon all taxable property of the District each year in an amount sufficient to pay the principal and interest on the loan as the same become due and payable. If monies produced from the required mill levy, together with other pledged revenues, are not sufficient to pay punctually the scheduled payments of principal and interest, the District shall include all such amounts as may be necessary for such purposes in its computation of the required mill levy in the subsequent year, and such required mill levy shall be imposed and continue to be levied until the loan is fully paid. The maximum required mill levy is 50.000 mills, adjusted for changes in the ratio of actual value to assessed value of property within the District.

Developer Advances

In earlier years, the District received certain advances from the Developer of the District for capital infrastructure costs that were subject to a Funding and Loan Agreement (Agreement). The District has repaid all advances pursuant to the Agreement leaving an accrued and unpaid interest of \$157,139. Any future payment of said amount is subject to annual appropriation.

The District has no operating or capital leases.

Reserve Funds

Emergency Reserve

The District has provided for an Emergency Reserve equal to at least 3% of the fiscal year spending for 2024, as defined under TABOR.

This information is an integral part of the accompanying budget.

**LAMBERTSON LAKES METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

**\$5,835,000 Limited Tax General Obligation Refunding Loan
Series 2016**

Dated September 15, 2016

Principal due December 1

Interest Rate 2.47% Payable

June 1 and December 1

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 345,000	\$ 23,040	\$ 368,040
2025	355,000	14,400	369,400
2026	220,000	5,509	225,509
	<u>\$ 920,000</u>	<u>\$ 42,949</u>	<u>\$ 962,949</u>