

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

The Board of Directors of Summerfield Metropolitan District No. 1 (the “**Board**”), Town of Erie, Weld County, Colorado (the “**District**”), held a regular meeting, via teleconference on October 26, 2023, at 10:00 AM.

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 BUDGETS
AND**

NOTICE OF PUBLIC HEARING ON THE AMENDED 2023 BUDGETS
The Boards of Directors (collectively the "Boards") of the SUMMERFIELD METROPOLITAN DISTRICT NOS. 1-3 (collectively the "Districts"), will hold a public hearing via teleconference on October 26, 2023, at 10:00 AM, to consider adoption of the Districts' proposed 2024 budgets (the "Proposed Budgets"), and, if necessary, adoption of an amendment to the 2023 budgets (the "Amended Budgets"). This public hearing may be joined using the following teleconference information:

Zoom Meeting Link:
<https://us06web.zoom.us/j/87244968349?pwd=3NtrFZEcyVAvsN27O9bkujD8cAcUy.1>
Meeting ID: 872 4496 8349
Passcode: 600749
Call In Numbers: 1(719) 359-4580 or 1(720) 707-2699

The Proposed Budgets and Amended Budgets 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 Districts may file any objections to the Proposed Budgets and Amended Budgets at any time prior to the final adoption of the Proposed Budgets or the Amended Budgets by the Boards.
The agenda for any meeting may be obtained at <https://www.summerfieldmetrodistricts.org/> or by calling (303) 858-1800.
BY ORDER OF THE BOARDS OF DIRECTORS:

SUMMERFIELD METROPOLITAN DISTRICT NOS. 1-3, quasi-municipal corporations and political subdivisions of the State of Colorado
/s/ WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

Published: Colorado Hometown Weekly October 18, 2023-2010245

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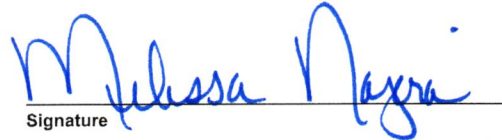
PUBLISHER'S AFFIDAVIT

**County of Boulder
State of Colorado**

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

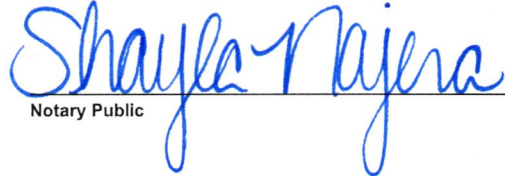
1. He/she is the legal Advertising Reviewer of Prairie Mountain Media LLC, publisher of the *Colorado Hometown*.
2. The *Colorado Hometown* is a newspaper of general circulation that has been published continuously and without interruption for at least fifty-two weeks in Boulder County and meets the 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):

Oct 18, 2023



Signature

Subscribed and sworn to me before me this
18th day of October 2023.



Notary Public

(SEAL)

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

Account: 1051175
Ad Number: 2010245
Fee: \$35.67

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 59.403 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 0.000 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 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 Weld 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 OCTOBER 26, 2023.

DISTRICT:

SUMMERFIELD METROPOLITAN DISTRICT NO. 1, a quasi-municipal corporation and political subdivision of the State of Colorado

By: Jon Lee
Jon Lee (Nov 30, 2023 10:56 MST)
Officer of the District

Attest:

By: Jessie Butler

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law [Signature]

General Counsel to the District

STATE OF COLORADO
COUNTY OF WELD
SUMMERFIELD METROPOLITAN DISTRICT NO. 1

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 October 26, 2023, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 26th day of October, 2023.

Jessie Butler

EXHIBIT A
BUDGET DOCUMENT
BUDGET MESSAGE

SUMMERFIELD METROPOLITAN DISTRICT NO. 1
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2024

**SUMMERFIELD METRO DISTRICT NO. 1
PROPERTY TAX SUMMARY INFORMATION
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
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ASSESSED VALUATION

Agricultural	\$ 70	\$ 10	\$ 150
Oil and gas	2,480	1,260	-
Certified Assessed Value	\$ 2,550	\$ 1,270	\$ 150

MILL LEVY

General	55.663	57.220	59.403
Total mill levy	55.663	57.220	59.403

PROPERTY TAXES

General	\$ 142	\$ 73	\$ 9
Levied property taxes	142	73	9
Budgeted property taxes	\$ 142	\$ 73	\$ 9

BUDGETED PROPERTY TAXES

General	\$ 142	\$ 73	\$ 9
	\$ 142	\$ 73	\$ 9

**SUMMERFIELD METRO DISTRICT NO. 1
GENERAL FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 14,918	\$ 13,714	\$ 196,891
REVENUES			
Property taxes	142	4	9
Specific ownership taxes	8	-	-
Interest income	6	16	6,000
Transfers from Summerfield MD No. 3	6,079	5,000	5,000
Transfers from Summerfield MD No. 2	37,500	250,000	250,000
Total revenues	43,735	255,020	261,009
Total funds available	58,653	268,734	457,900
EXPENDITURES			
General and administrative			
Accounting	5,715	7,500	16,500
Auditing	2,992	3,150	-
County Treasurer's fee	2	-	-
Dues and membership	-	346	400
Insurance	3,007	2,486	2,700
Legal	11,000	18,000	15,000
Miscellaneous	1,009	1,000	2,500
Banking fees	-	100	-
Repay developer advance	-	-	90,000
Website	-	500	600
Capital outlay	11,933	15,000	15,000
Transfers to Summerfield District No. 2	9,281	16,228	15,500
Transfers to Summerfield District No. 3	-	7,533	7,850
Total expenditures	44,939	71,843	166,050
Total expenditures and transfers out requiring appropriation	44,939	71,843	166,050
ENDING FUND BALANCES	\$ 13,714	\$ 196,891	\$ 291,850
EMERGENCY RESERVE	\$ 1,400	\$ 7,700	\$ 7,900
AVAILABLE FOR OPERATIONS	12,314	189,191	283,950
TOTAL RESERVE	\$ 13,714	\$ 196,891	\$ 291,850

No assurance provided. See summary of significant assumptions.

**SUMMERFIELD METROPOLITAN DISTRICT NO. 1
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

In accordance with its Service Plan, Summerfield Metropolitan District No. 1 was formed to manage the administration, operation, maintenance, construction, acquisition and installation of public improvements within the property known as "Summerfield" located in Erie, Colorado. Public improvements include, but are not limited to, storm drainage, water, sewer, utilities, streets, traffic and safety control, and parks and recreation improvements.

The Service Plan, as amended in 2017, permits the District to impose a maximum mill levy on the taxable property within its boundaries as a primary source of revenue for the construction and maintenance of public improvements, repayment of debt and operational costs. The Service Plan also provides a total debt issuance limitation in an aggregate principal amount not to exceed \$100,000,000 for Summerfield Metropolitan District Nos. 1, 2, and 3.

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.

**SUMMERFIELD METROPOLITAN DISTRICT NO. 1
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues – (continued)

Property Taxes (Continued)

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.

Intergovernmental Transfers

The District expects to receive revenues from Summerfield Metropolitan District Nos. 2 and 3 for the purposes of funding operations and administrative expenditures.

Net Investment Income

Interest earned on the District’s available funds has been estimated based on an average interest rate of approximately 4.0%.

**SUMMERFIELD METROPOLITAN DISTRICT NO. 1
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures

General and Administrative

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

Intergovernmental Transfers

The District expects to transfer revenues to Summerfield Metropolitan District Nos. 2 and 3 for the purposes of funding administrative expenditures.

Debt and Leases

The District has no debt or leases.

Reserves

Emergency Reserve

The District has provided for an emergency reserve fund equal to at least 3% of fiscal year spending as defined under TABOR.

This information is an integral part of the accompanying budget.