

**THE RIDGE AT HARMONY ROAD METROPOLITAN DISTRICT NOS. 1-4
2022 ANNUAL REPORT
TO THE TOWN OF WINDSOR**

As required by Section VII of the Service Plan for The Ridge at Harmony Road Metropolitan District Nos. 1-3, approved by the Town of Windsor, Colorado on August 21, 2014, and as amended by the First Amendment to Service Plan for The Ridge at Harmony Road Metropolitan District Nos. 1-4, approved by the Town of Windsor on February 25, 2019, we present the following report of the Districts' activities from January 1, 2022 to December 31, 2022.

1. A narrative summary of the progress of the Districts in implementing the Service Plan for the report year:

The Districts intend to continue to coordinate the construction of certain public improvements as described in the Service Plan and First Amendment to Service Plan; the Developer continues to construct improvements needed for the development in accordance with plans approved by the Town.

2. Except when exemption from audit has been granted for the report year under the Local Government Audit Law, the audited financial statements of the Districts for the report year including a statement of financial condition (i.e., balance sheet) as of December 31 of the report year and the statement of operations (i.e., revenues and expenditures) for the report year:

Revenues and expenditures for the District Nos. 1- 4 were each less than \$750,000 in 2022, and exemptions from audit for the report year were filed and granted in accordance with state law. The exemptions are available through the state auditor's online portal: <https://apps.leg.co.gov/osa/lg/submissions/search>.

3. Unless disclosed within a separate schedule to the financial statements, a summary of the capital expenditures incurred by the Districts in development of Public Improvements in the report year:

The Districts received updates regarding the certification of completion of the public improvements for the 2nd Filing in 2019. The Developer completed construction of public improvements related to the 2nd and 3rd Subdivision filings within the Districts with final completion and certifications in 2021. There were no direct District dedications during the report year and no certifications of completion through the District in 2022. Developer continues to complete construction of improvements through and in accordance with approved development plans of the Town.

The Districts intend to continue to coordinate the construction of certain public improvements as described in the Service Plan and First Amendment to Service Plan.

4. Unless disclosed within a separate schedule to the financial statements, a summary of the financial obligations of the Districts at the end of the report year, including the amount of outstanding indebtedness, the amount and terms of any new District indebtedness or long-term obligations issued in the report year, the amount of payment or retirement of existing indebtedness of the Districts in the report year,

the total assessed valuation of all taxable properties within the Districts as of January 1st of the report year and the current mill levy of the Districts pledged to debt retirement in the report year:

On April 13, 2020 District No. 3 approved the issuance of Limited Tax General Obligation Bonds, Series 2020 in the amount of \$19,500,000. The Districts 2023 Budgets are attached hereto as **Exhibit A**. The total assessed valuation of taxable property and the mill levies of each of the Districts are listed below:

<u>District</u>	<u>2022</u> <u>AV</u>	<u>2023</u> <u>Mill Levy</u>
The Ridge at Harmony Road Metropolitan District No. 1	\$ 8,622,940	45.812
The Ridge at Harmony Road Metropolitan District No. 2	\$ 12,938,110	45.812
The Ridge at Harmony Road Metropolitan District No. 3	\$ 7,539,970	45.812
The Ridge at Harmony Road Metropolitan District No. 4	\$ 4,450	45.812

5. Any other information deemed relevant by the Town Board or deemed reasonably necessary by the Town Manager.

None.

6. Copies of developer Reimbursement Agreements or amendments thereto made in the applicable year.

On April 13, 2020, both an Amended and Restated Advance and Reimbursement Agreement and an Amended and Restated Funding and Reimbursement Agreement were entered between The Ridge at Harmony Road Metropolitan District Nos. 1-4 and Eagle Development Company. The Agreements are on file with the Town with last year's Annual Report. No new agreements or amendments were entered into during the report year.

7. Copies of documentation, such as acceptance letters or resolution packages, substantiating that developer reimbursement for property or services obtained by the developer on the Districts' behalf do not exceed fair market value.

None.

8. Boundary changes made.

None.

9. Intergovernmental agreements entered into or terminated with other governmental entities.

- Amended and Restated Master Intergovernmental Agreement dated April 13, 2020 by and between District Nos. 1-4; and
- Amended and Restated Intergovernmental Agreement dated February 25, 2019 between The of Windsor and District Nos. 1-4.

10. Access information to obtain a copy of rules and regulations adopted by the Board.

Contact the District Manager, Landhuis Companies: cmcmorrow@landhuisco.com

11. A summary of litigation involving public improvements owned by the District.

None.

12. Notice of any uncured defaults existing for more than ninety days under any debt instrument of the District.

None.

13. Any inability of the District to pay its obligations as they come due under any obligation which continues beyond a ninety-day period.

None.

Respectfully submitted this 21st day of August, 2023.

SPENCER FANE LLP

/s/ David S. O'Leary

David O'Leary, Esq.

EXHIBIT A
2023 BUDGETS

LETTER OF BUDGET TRANSMITTAL

Date: January 23, 2023

To: Division of Local Government
1313 Sherman Street, Room 521
Denver, Colorado 80203

Attached are the 2023 budget and budget message for THE RIDGE AT HARMONY ROAD METROPOLITAN DISTRICT NO. 1 in Weld County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on December 5, 2022. If there are any questions on the budget, please contact:

CliftonLarsonAllen LLP
8390 East Crescent Parkway, Suite 500
Greenwood Village, CO 80111
Tel: 303-779-5710

I, Jeff Mark as President of The Ridge at Harmony Road Metropolitan District No. 1, hereby certify that the attached is a true and correct copy of the 2023 budget.

By: Jeff Mark

**RESOLUTION
TO ADOPT 2023 BUDGET, APPROPRIATE SUMS OF MONEY,
AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY
THE RIDGE AT HARMONY ROAD METROPOLITAN DISTRICT NO. 1**

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2023 TO HELP DEFRAID THE COSTS OF GOVERNMENT, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE RIDGE AT HARMONY ROAD METROPOLITAN DISTRICT NO. 1, WELD COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2023, AND ENDING ON THE LAST DAY OF DECEMBER, 2023,

WHEREAS, the Board of Directors of The Ridge at Harmony Road Metropolitan District No. 1 has authorized its consultants to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, the proposed budget has been submitted to the Board of Directors of the District for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on December 5, 2022 and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues or planned to be expended from reserves or fund balances so that the budget remains in balance, as required by law; and

WHEREAS, the amount of money necessary to balance the budget for general operating purposes from property tax revenue is \$98,758; and

WHEREAS, the Board of Directors finds that it is required to temporarily lower the operating mill levy to render a refund for \$0; and

WHEREAS, the amount of money necessary to balance the budget for voter-approved bonds and interest is \$0; and

WHEREAS, the amount of money necessary to balance the budget for contractual obligation purposes from property tax revenue as approved by voters from property tax revenue is \$296,276; and

WHEREAS, the amount of money necessary to balance the budget for capital expenditure purposes from property tax revenue as approved by voters or at public hearing is \$0; and

WHEREAS, the amount of money necessary to balance the budget for refunds/abatements is \$0; and

WHEREAS, the 2022 valuation for assessment for the District as certified by the County Assessor of Weld County is \$8,622,940; and

WHEREAS, at an election held on November 4, 2014, the District has eliminated the revenue and expenditure limitations imposed on governmental entities by Article X, Section 20 of the Colorado Constitution and Section 29-1-301, C.R.S., as amended.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE RIDGE AT HARMONY ROAD METROPOLITAN DISTRICT NO. 1 OF WELD COUNTY, COLORADO:

Section 1. Adoption of Budget. That the budget as submitted, and attached hereto and incorporated herein by this reference, and if amended, then as amended, is hereby approved and adopted as the budget of The Ridge at Harmony Road Metropolitan District No. 1 for calendar year 2023.

Section 2. Budget Revenues. That the estimated revenues for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 3. Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 4. Levy of General Property Taxes. That the Board of Directors does hereby certify the levy of general property taxes for collection in 2023 as follows:

A. Levy for General Operating and Other Expenses. That for the purposes of meeting all general operating expense of the District during the 2023 budget year, there is hereby levied a tax of 11.453 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2022.

B. Temporary Tax Credit or Rate Reduction. That pursuant to Section 39-1-111.5, C.R.S. for the purposes of effect of a refund for the purposes set forth in Section 20 of Article X of the Colorado Constitution, there is hereby certified a temporary property tax credit or temporary mill levy rate reduction of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2022.

C. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all debt retirement expense of the District during the 2023 budget year, as the funding requirements of the current outstanding general obligation indebtedness is detailed in the

following "Certification of Tax Levies," there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2022.

D. Levy for Contractual Obligations. That for the purposes of meeting the contractual obligation expense of the District during the 2023 budget year, as detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 34.359 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2022.

E. Levy for Capital Expenditures. That for the purposes of meeting all capital expenditures of the District during the 2023 budget year pursuant to Section 29-1-301(1.2) or 29-1-302(1.5), C.R.S., 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 boundaries of the District for the year 2022.

F. Levy for Refunds/Abatements. That for the purposes of recoupment of refunds/abatements of taxes pursuant to Section 39-10-114(1)(a)(I)(B), C.R.S., 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 boundaries of the District for the year 2022.

Section 5. Property Tax and Fiscal Year Spending Limits. That, being fully informed, the Board finds that the foregoing budget and mill levies do not result in a violation of any applicable property tax or fiscal year spending limitation.

Section 6. Certification. That the appropriate officers of the District are hereby authorized and directed to certify by December 15, 2022, to the Board of County Commissioners of Weld County, Colorado, the mill levies for the District herein above determined and set, or be authorized and directed to certify to the Board of County Commissioners of Weld County, Colorado, as herein above determined and set, but as recalculated as needed upon receipt of the final certification of valuation from the County Assessor on or about December 10, 2022 in order to comply with any applicable revenue and other budgetary limits or to implement the intent of the District. That said certification shall be in substantially the form set out and attached hereto and incorporated herein by this reference.

Section 7. 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.

[remainder of page intentionally left blank; signature page follows]

ADOPTED this 5th day of December, 2022.

THE RIDGE AT HARMONY ROAD
METROPOLITAN DISTRICT NO. 1

Jeff Mark

President

ATTEST:

S. Alan Vancil

Secretary

The Ridge at Harmony Road Metropolitan District No. 1			
General Fund Budget			
Year Ended 12/31/2023			
Modified Accrual Basis	2021	2022	2023
	Actual	Estimated	Proposed Budget
BEGINNING FUND BALANCE	\$ 6,915	\$ 8,554	\$ -
REVENUES			
Property Tax	4,562	68,086	98,758
Specific Ownership Tax	229	4,050	5,925
Interest on Delinquent Tax	2	25	-
Homeowner setup fee	150	-	-
Contingency	-	-	300
Total Revenues	4,943	72,161	104,983
EXPENDITURES			
General Management			
County Collection Fee - 1.5% of Property Tax	69	1,018	1,481
Transfer to District 4 General Fund	8,235	71,143	103,202
Transfer beginning fund balance to D4 General Fund	-	8,554	-
Contingency	-	-	300
Total General Management	8,304	80,715	104,983
Maintenance			
Total Expenses	8,304	80,715	104,983
Excess of Revenues over Expenditures	(3,361)	(8,554)	-
Transfer from District 1 Capital Fund	5,000	-	-
	1,639	-	-
ENDING FUND BALANCE	\$ 8,554	\$ -	\$ -
Emergency Reserve - 3% of Revenues	\$ -	\$ -	\$ -
Unrestricted Fund Balance	8,554	-	-

The Ridge at Harmony Road Metropolitan District No. 1			
Capital Fund Budget			
Year Ended 12/31/2023			
Modified Accrual Basis			
	2021	2022	2023
	Actual	Estimated	Proposed Budget
BEGINNING FUND BALANCE	\$ 282,995	\$ 26,995	\$ -
REVENUES			
Total Revenues	-	-	-
EXPENDITURES			
Transfer to D2 Debt Fund	16,000	26,995	-
Transfer to D1 General Fund	5,000	-	-
Transfer to D3 Debt Fund	235,000	-	-
Total Capital Expenditures	256,000	26,995	-
Excess of Revenues over Expenditures	(256,000)	(26,995)	-
Net Change in Fund Balance	(256,000)	(26,995)	-
ENDING FUND BALANCE	\$ 26,995	\$ -	\$ -

The Ridge at Harmony Road Metropolitan District No. 1			
Debt Service Fund Budget			
Year Ended 12/31/2023			
Modified Accrual Basis			
	2021	2022	2023
	Actual	Estimated	Proposed Budget
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
REVENUES			
Property Tax	13,228	197,445	296,276
Interest on Delinquent property tax	5	74	-
Specific Ownership tax	661	11,747	17,777
Total Revenues	13,894	209,266	314,053
EXPENDITURES			
County Collection Fee - 1.5% of Property Tax	198	2,962	4,444
Transfer to District 3 Debt Fund	13,696	206,304	309,609
Total Expenditures	13,894	209,266	314,053
Excess of Revenues over Expenditures	-	-	-
ENDING FUND BALANCE	\$ -	\$ -	\$ -

The Ridge at Harmony Road Metro Districts 1-4					
Property Taxes					
2022 Valuations for 2023 Taxes					
		1504	1505	1506	1673
	Combined	District No. 1	District No. 2	District No. 3	District No. 4
Vacant Residential Land - Market Value	1,288,624	1,059,257	15,915	198,113	15,339
Percentage	29%	29%	29%	29%	29%
Assessed Value	373,720	307,200	4,620	57,450	4,450
Residential Land & Improvements - Market Value	404,031,809	117,153,234	181,802,234	105,076,341	-
Percentage	6.95%	6.95%	6.95%	6.95%	7.20%
Assessed Value	28,077,080	8,141,210	12,633,900	7,301,970	-
Commercial	50,356	37,111	12,018	1,227	-
Percentage	29%	29%	29%	29%	-
Assessed Value	14,600	10,760	3,480	360	-
Agricultural Land & Buildings Market Value	1	-	-	1	-
Percentage	29%	29%	29%	29%	29%
Assessed Value	10	-	-	10	-
Severed Mineral Interests	-	-	-	-	-
Percentage	29%	-	-	29%	29%
Assessed Value	-	-	-	-	-
Public Utility state value	2,207,108	564,721	1,021,075	621,312	-
Percentage	29%	29%	29%	29%	-
Assessed Value	640,060	163,770	296,110	180,180	-
Total Assessed Value - Final AV as of 11/28/22	29,105,470	8,622,940	12,938,110	7,539,970	4,450
Mill Levy - General Operating & Debt Service	43.418	45.812	45.812	45.812	45.812
2022 Property Tax to be paid in 2023	\$ 1,333,380	\$ 395,034	\$ 592,721	\$ 345,421	\$ 204
Tax based on Mill Levy for 2023					
Capital - Debt	\$ 1,000,036	\$ 296,276	\$ 444,541	\$ 259,066	\$ 153
Operations & Maintenance	\$ 333,344	\$ 98,758	\$ 148,180	\$ 86,355	\$ 51
Total	\$ 1,333,380	\$ 395,034	\$ 592,721	\$ 345,421	\$ 204
Mill Levy Charged for 2023					
Capital - Debt		34.359	34.359	34.359	34.359
Operations & Maintenance		11.453	11.453	11.453	11.453
Total		45.812	45.812	45.812	45.812

**The Ridge at Harmony Road Metropolitan District No. 1
Weld County, CO
2023 Budget Narrative**

The Ridge at Harmony Road Metropolitan District No. 1 is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act and was formed in February 2015. The District was established as part of a “Multiple District Structure” for The Ridge at Harmony Road community located in the Town of Windsor, Weld County, Colorado and is generally described as three Tracts of land located in Section 31, Township 7 North, Range 67 West of the 6th P.M., and consists of approximately 169.7 acres. In 2020, an Amended and Restated Master Intergovernmental Agreement was approved by the Board designating District 1, 2 and 3 as “Financing Districts” and District No. 4 as the “Operating District”. The Districts were organized to provide financing for the design, acquisition, construction and installation of public improvements, facilities and services. The public improvements to be provided by the Districts are proposed to include the types of facilities and improvements for a non-potable water system, streets and roadways, street landscaping, signage, monuments, and lighting, safety protection, park and recreation, sanitation and storm drainage, water improvements and other related improvements and their operation and maintenance.

Pursuant to the First Amendment To Service Plan approved by the Town of Windsor on 2/25/2019, the District is authorized to issue General Obligation Debt, Revenue Debt and other Debt in an amount not to exceed \$36,000,000.

The District has no employees at this time and all operations and administrative functions are contracted.

The following budget is prepared on the modified accrual basis of accounting, in accordance with requirements of Colorado Revised Statutes C.R.S. 29-1-105.

**GENERAL FUND
REVENUES**

1. Property Taxes are based on the assessed value of property within the District as established by Weld County. Mill levies are budgeted for Operations and Maintenance at 11.453 mills.
2. Specific ownership taxes are budgeted at 6% of property taxes collected. These taxes are set by the state and collected by the county treasurer primarily on vehicle licensing within the county as a whole. They are allocated by the county treasurer to all taxing entities within the county.
3. Contingency income is budgeted for \$300 to cover any additional revenue of the District.

**GENERAL FUND
EXPENDITURES – Operating**

1. The County property tax collection fee is based on 1.5% of the property tax received.
2. Net Operations & Maintenance tax revenues are paid as Intergovernmental Expenses to District #4 General Fund.
3. Contingency expense is budgeted for \$300 to cover any additional expenses of the District.

**The Ridge at Harmony Road Metropolitan District No. 1
Weld County, CO
2023 Budget Narrative**

CAPITAL PROJECTS FUND

1. The District anticipates no activity in 2023.

**DEBT FUND
REVENUES**

1. Property Taxes are based on the assessed value of property within the District as established by Weld County. Mill levies are budgeted for Operations and Maintenance at 34.359 mills.
2. Specific ownership taxes are budgeted at 6% of property taxes collected. These taxes are set by the state and collected by the county treasurer primarily on vehicle licensing within the county as a whole. They are allocated by the county treasurer to all taxing entities within the county.

EXPENDITURES

1. The County property tax collection fee is based on 1.5% of the property tax received.
2. Net Debt Service tax revenues are paid as Intergovernmental Expenses to District #3 Debt Fund.

DEBT AND LEASES

The District has no debt, nor any operating or capital leases.

RESERVES

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of revenues, excluding Developer Loan Proceeds. Since substantially all funds received by the District are transferred to District #4, which pays for all of the Districts' operations and maintenance costs, an emergency reserve is not reflected in the District's Budget.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Weld County, Colorado.

On behalf of the The Ridge at Harmony Road Metro District No. 1,
(taxing entity)^A

the Board of Directors
(governing body)^B

of the The Ridge at Harmony Road Metro District No. 1
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 8,622,940 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: \$ 8,622,940 (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: 12/08/2022 for budget/fiscal year 2023.
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE <small>(see end notes for definitions and examples)</small>	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	11.453 mills	\$ 98,758
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	11.453 mills	\$ 98,758
3. General Obligation Bonds and Interest ^J	_____ mills	\$ _____
4. Contractual Obligations ^K	34.359 mills	\$ 296,276
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
	_____ mills	\$ _____
TOTAL: <small>[Sum of General Operating Subtotal and Lines 3 to 7]</small>	45.812 mills	\$ 395,034

Contact person: Seef Le Roux Daytime phone: (719) 635 - 0330

Signed:  Title: Accountant for the District

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: Contractual Obligation to The Ridge at Harmony Road Metropolitan District No. 3
Title: Capital Pledge Agreement
Date: April 20, 2020
Principal Amount: \$19,500,000
Maturity Date: December 15, 2049
Levy: 34.359
Revenue: \$296,276

- 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.

LETTER OF BUDGET TRANSMITTAL

Date: January 23, 2023

To: Division of Local Government
1313 Sherman Street, Room 521
Denver, Colorado 80203

Attached are the 2023 budget and budget message for THE RIDGE AT HARMONY ROAD METROPOLITAN DISTRICT NO. 2 in Weld County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on December 5, 2022. If there are any questions on the budget, please contact:

CliftonLarsonAllen LLP
8390 East Crescent Parkway, Suite 500
Greenwood Village, CO 80111
Tel: 303-779-5710

I, Jeff Mark as President of The Ridge at Harmony Road Metropolitan District No. 2, hereby certify that the attached is a true and correct copy of the 2023 budget.

By: Jeff Mark

RESOLUTION
TO ADOPT 2023 BUDGET, APPROPRIATE SUMS OF MONEY,
AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY
THE RIDGE AT HARMONY ROAD METROPOLITAN DISTRICT NO. 2

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2023 TO HELP DEFRAID THE COSTS OF GOVERNMENT, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE RIDGE AT HARMONY ROAD METROPOLITAN DISTRICT NO. 2, WELD COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2023, AND ENDING ON THE LAST DAY OF DECEMBER, 2023,

WHEREAS, the Board of Directors of The Ridge at Harmony Road Metropolitan District No. 2 has authorized its consultants to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, the proposed budget has been submitted to the Board of Directors of the District for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on December 5, 2022 and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues or planned to be expended from reserves or fund balances so that the budget remains in balance, as required by law; and

WHEREAS, the amount of money necessary to balance the budget for general operating purposes from property tax revenue is \$148,180.17; and

WHEREAS, the Board of Directors finds that it is required to temporarily lower the operating mill levy to render a refund for \$0; and

WHEREAS, the amount of money necessary to balance the budget for voter-approved bonds and interest is \$444,540.52; and

WHEREAS, the amount of money necessary to balance the budget for contractual obligation purposes from property tax revenue as approved by voters from property tax revenue is \$0; and

WHEREAS, the amount of money necessary to balance the budget for capital expenditure purposes from property tax revenue as approved by voters or at public hearing is \$0; and

WHEREAS, the amount of money necessary to balance the budget for refunds/abatements is \$0; and

WHEREAS, the 2022 valuation for assessment for the District as certified by the County Assessor of Weld County is \$12,938,110; and

WHEREAS, at an election held on November 4, 2014, the District has eliminated the revenue and expenditure limitations imposed on governmental entities by Article X, Section 20 of the Colorado Constitution and Section 29-1-301, C.R.S., as amended.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE RIDGE AT HARMONY ROAD METROPOLITAN DISTRICT NO. 2 OF WELD COUNTY, COLORADO:

Section 1. Adoption of Budget. That the budget as submitted, and attached hereto and incorporated herein by this reference, and if amended, then as amended, is hereby approved and adopted as the budget of The Ridge at Harmony Road Metropolitan District No. 2 for calendar year 2023.

Section 2. Budget Revenues. That the estimated revenues for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 3. Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 4. Levy of General Property Taxes. That the Board of Directors does hereby certify the levy of general property taxes for collection in 2023 as follows:

A. Levy for General Operating and Other Expenses. That for the purposes of meeting all general operating expense of the District during the 2023 budget year, there is hereby levied a tax of 11.453 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2022.

B. Temporary Tax Credit or Rate Reduction. That pursuant to Section 39-1-111.5, C.R.S. for the purposes of effect of a refund for the purposes set forth in Section 20 of Article X of the Colorado Constitution, there is hereby certified a temporary property tax credit or temporary mill levy rate reduction of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2022.

C. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all debt retirement expense of the District during the 2023 budget year, as the funding requirements of the current outstanding general obligation indebtedness is detailed in the

following "Certification of Tax Levies," there is hereby levied a tax of 34.359 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2022.

D. Levy for Contractual Obligations. That for the purposes of meeting the contractual obligation expense of the District during the 2023 budget year, as detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2022.

E. Levy for Capital Expenditures. That for the purposes of meeting all capital expenditures of the District during the 2023 budget year pursuant to Section 29-1-301(1.2) or 29-1-302(1.5), C.R.S., 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 boundaries of the District for the year 2022.

F. Levy for Refunds/Abatements. That for the purposes of recoupment of refunds/abatements of taxes pursuant to Section 39-10-114(1)(a)(I)(B), C.R.S., 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 boundaries of the District for the year 2022.

Section 5. Property Tax and Fiscal Year Spending Limits. That, being fully informed, the Board finds that the foregoing budget and mill levies do not result in a violation of any applicable property tax or fiscal year spending limitation.

Section 6. Certification. That the appropriate officers of the District are hereby authorized and directed to certify by December 15, 2022, to the Board of County Commissioners of Weld County, Colorado, the mill levies for the District herein above determined and set, or be authorized and directed to certify to the Board of County Commissioners of Weld County, Colorado, as herein above determined and set, but as recalculated as needed upon receipt of the final certification of valuation from the County Assessor on or about December 10, 2022 in order to comply with any applicable revenue and other budgetary limits or to implement the intent of the District. That said certification shall be in substantially the form set out and attached hereto and incorporated herein by this reference.

Section 7. 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.

[remainder of page intentionally left blank; signature page follows]

ADOPTED this 5th day of December, 2022.

THE RIDGE AT HARMONY ROAD
METROPOLITAN DISTRICT NO. 2

Jeff Mark

President

ATTEST:

S. Alan Vancil

Secretary

The Ridge at Harmony Road Metropolitan District No. 2			
General Fund Budget			
Year Ended 12/31/2023			
Modified Accrual Basis			
	2021	2022	2023
	Actual	Estimated	Proposed Budget
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
REVENUES			
Property Tax	134,655	148,361	148,180
Specific Ownership Tax	6,757	8,826	8,891
Interest on delinquent taxes	41	67	-
Contingency Income	-	-	1,000
Total Revenues	141,453	157,254	158,071
EXPENDITURES			
County Collection Fee - 1.5% of Property Tax	2,020	2,225	2,223
Intergovernmental expenditures - District 4 General Fund	139,433	155,029	154,848
Contingency Expense	-	-	1,000
Total Expenses	141,453	157,254	158,071
Excess of Revenues over Expenditures	-	-	-
ENDING FUND BALANCE	\$ -	\$ -	\$ -
Emergency Reserve - 3% of Expenses	\$ -	\$ -	\$ -
Unrestricted Fund Balance	-	-	-

The Ridge at Harmony Road Metropolitan District No. 2			
Debt Service Fund Budget			
Year Ended 12/31/2023			
Modified Accrual Basis			
	2021	2022	2023
	Actual	Estimated	Proposed Budget
BEGINNING FUND BALANCE	\$ 63,358	\$ 3,703	\$ 272
REVENUES			
Property Tax	390,490	430,239	444,541
Specific Ownership tax	19,595	25,596	26,672
Interest on delinquent property tax	119	193	-
Transfer from District 1 Capital Fund	16,000	26,995	-
Total Revenues	426,204	483,023	471,213
EXPENDITURES			
County Collection Fee - 1.5% of Property Tax	5,859	6,454	6,668
Interest on Bond	480,000	480,000	464,817
Principal payment on Bond	-	-	-
Total Expenditures	485,859	486,454	471,485
Excess of Revenues over Expenditures	(59,655)	(3,431)	(272)
ENDING FUND BALANCE	\$ 3,703	\$ 272	\$ -

The Ridge at Harmony Road Metro Districts 1-4					
Property Taxes					
2022 Valuations for 2023 Taxes		1504	1505	1506	1673
	Combined	District No. 1	District No. 2	District No. 3	District No. 4
Vacant Residential Land - Market Value	1,288,624	1,059,257	15,915	198,113	15,339
Percentage	29%	29%	29%	29%	29%
Assessed Value	373,720	307,200	4,620	57,450	4,450
Residential Land & Improvements - Market Value	404,031,809	117,153,234	181,802,234	105,076,341	-
Percentage	6.95%	6.95%	6.95%	6.95%	7.20%
Assessed Value	28,077,080	8,141,210	12,633,900	7,301,970	-
Commercial	50,356	37,111	12,018	1,227	-
Percentage	29%	29%	29%	29%	-
Assessed Value	14,600	10,760	3,480	360	-
Agricultural Land & Buildings Market Value	1	-	-	1	-
Percentage	29%	29%	29%	29%	29%
Assessed Value	10	-	-	10	-
Severed Mineral Interests	-	-	-	-	-
Percentage	29%	-	-	29%	29%
Assessed Value	-	-	-	-	-
Public Utility state value	2,207,108	564,721	1,021,075	621,312	-
Percentage	29%	29%	29%	29%	-
Assessed Value	640,060	163,770	296,110	180,180	-
Total Assessed Value - Final AV as of 11/28/22	29,105,470	8,622,940	12,938,110	7,539,970	4,450
Mill Levy - General Operating & Debt Service	43.418	45.812	45.812	45.812	45.812
2022 Property Tax to be paid in 2023	\$ 1,333,380	\$ 395,034	\$ 592,721	\$ 345,421	\$ 204
Tax based on Mill Levy for 2023					
Capital - Debt	\$ 1,000,035	\$ 296,276	\$ 444,541	\$ 259,065	\$ 153
Operations & Maintenance	\$ 333,345	\$ 98,758	\$ 148,180	\$ 86,356	\$ 51
Total	\$ 1,333,380	\$ 395,034	\$ 592,721	\$ 345,421	\$ 204
Mill Levy Charged for 2023					
Capital - Debt		34.359	34.359	34.359	34.359
Operations & Maintenance		11.453	11.453	11.453	11.453
Total		45.812	45.812	45.812	45.812

The Ridge at Harmony Road Metropolitan District No. 2
Weld County, CO
2023 Budget Narrative

The Ridge at Harmony Road Metropolitan District No. 2 is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act and was formed in February 2015. The District was established as part of a “Multiple District Structure” for The Ridge at Harmony Road community located in the Town of Windsor, Weld County, Colorado and is generally described as a Tract of land located in Section 31, Township 7 North, Range 67 West of the 6th P.M., and consists of approximately 158.6 acres. In 2020, an Amended and Restated Master Intergovernmental Agreement was approved by the Board designating District 1, 2 and 3 as “Financing Districts” and District No. 4 as the “Operating District”. Along with its companion Districts No. 4 (“Service District”) and No. 1 and 3 (“Financing Districts”) this Financing District was organized to provide financing for the design, acquisition, construction and installation of public improvements, facilities and services. The public improvements to be provided by the Districts are proposed to include the types of facilities and improvements for a non-potable water system, streets and roadways, street landscaping, signage, monuments, and lighting, safety protection, park and recreation, sanitation and storm drainage, water improvements and other related improvements and their operation and maintenance.

The District has no employees at this time and all operations and administrative functions are contracted.

The following budget is prepared on the modified accrual basis of accounting, in accordance with requirements of Colorado Revised Statutes C.R.S. 29-1-105.

GENERAL FUND
REVENUES

1. Property Taxes are based on the assessed value of property within the District as established by Weld County. Mill levies are budgeted for Operations and Maintenance at 11.453 mills.
2. Specific ownership taxes are budgeted at 6% of property taxes collected. These taxes are set by the state and collected by the county treasurer primarily on vehicle licensing within the county as a whole. They are allocated by the county treasurer to all taxing entities within the county.
3. Contingency income is budgeted for \$1,000 to cover any additional revenue of the District.

EXPENDITURES

1. The County property tax collection fee is based on 1.5% of the property tax received.
2. Net Operations & Maintenance tax revenues are paid as Intergovernmental Expenses to District #4.
3. Contingency expense is budgeted for \$1,000 to cover any additional expense of the District.

**The Ridge at Harmony Road Metropolitan District No. 2
Weld County, CO
2023 Budget Narrative**

CAPITAL FUND

1. No revenue or expenses are budgeted for the Capital Fund in 2023.

DEBT SERVICE FUND

REVENUES

1. Property Taxes are based on the assessed value of property within the District as established by Weld County. Mill levies are budgeted for Debt Service at 34.359 mills.
2. Specific ownership taxes are budgeted at 6% of property taxes collected. These taxes are set by the state and collected by the county treasurer primarily on vehicle licensing within the county as a whole. They are allocated by the county treasurer to all taxing entities within the county.

EXPENDITURES

1. The County property tax collection fee is based on 1.5% of the property tax received.
2. Interest on the Bond is budgeted in the amount of \$466,500.
3. Unpaid principal due for 2022 and 2023 total \$260,000.

DEBT AND LEASES

The District has no operating or capital leases.

RESERVES

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year revenues. Since substantially all funds received by the District are transferred to District #4, which pays for all of the Districts' operations and maintenance costs, an emergency reserve is not reflected in the District's Budget.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of WELD COUNTY, Colorado.

On behalf of the RIDGE AT HARMONY ROAD METRO 2,
(taxing entity)^A
 the Board of Directors,
(governing body)^B
 of the RIDGE AT HARMONY ROAD METRO 2,
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ \$12,938,110.00 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: \$ \$12,938,110.00 (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: 12/13/2022 for budget/fiscal year 2023.
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE <small>(see end notes for definitions and examples)</small>	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	11.453 mills	\$ 148180.17
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < 0 >
SUBTOTAL FOR GENERAL OPERATING:	11.453 mills	\$ 148180.17
3. General Obligation Bonds and Interest ^J	34.359 mills	\$ 444540.52
4. Contractual Obligations ^K	mills	\$ 0
5. Capital Expenditures ^L	mills	\$ 0
6. Refunds/Abatements ^M	mills	\$ 0
7. Other ^N (specify): _____	mills	\$
_____	mills	\$
TOTAL: <small>[Sum of General Operating Subtotal and Lines 3 to 7]</small>	45.812 mills	\$ 592720.70

Contact person: Carrie Beacom Daytime phone: 303-779-5710
(print)
 Signed: Carrie Beacom Title: Accountant for the District

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:	<u>Limited Tax General Obligation Bonds</u>
	Series:	<u>Series 2019A</u>
	Date of Issue:	<u>04/15/2019</u>
	Coupon Rate:	<u>6.00%</u>
	Maturity Date:	<u>12/01/2048</u>
	Levy:	<u>34.359</u>
	Revenue:	<u>\$444.541</u>
2.	Purpose of Issue:	_____
	Series:	_____
	Date of Issue:	_____
	Coupon Rate:	_____
	Maturity Date:	_____
	Levy:	_____
	Revenue:	_____

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 separately report all bond and contractual obligations per 32-1-1603, C.R.S.

LETTER OF BUDGET TRANSMITTAL

Date: January 23, 2023

To: Division of Local Government
1313 Sherman Street, Room 521
Denver, Colorado 80203

Attached are the 2023 budget and budget message for THE RIDGE AT HARMONY ROAD METROPOLITAN DISTRICT NO. 3 in Weld County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on December 5, 2022. If there are any questions on the budget, please contact:

CliftonLarsonAllen LLP
8390 East Crescent Parkway, Suite 500
Greenwood Village, CO 80111
Tel: 303-779-5710

I, Jeff Mark as President of The Ridge at Harmony Road Metropolitan District No. 3, hereby certify that the attached is a true and correct copy of the 2023 budget.

By: Jeff Mark

**RESOLUTION
TO ADOPT 2023 BUDGET, APPROPRIATE SUMS OF MONEY,
AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY
THE RIDGE AT HARMONY ROAD METROPOLITAN DISTRICT NO. 3**

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2023 TO HELP DEFRAY THE COSTS OF GOVERNMENT, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE RIDGE AT HARMONY ROAD METROPOLITAN DISTRICT NO. 3, WELD COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2023, AND ENDING ON THE LAST DAY OF DECEMBER, 2023,

WHEREAS, the Board of Directors of The Ridge at Harmony Road Metropolitan District No. 3 has authorized its consultants to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, the proposed budget has been submitted to the Board of Directors of the District for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on December 5, 2022 and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues or planned to be expended from reserves or fund balances so that the budget remains in balance, as required by law; and

WHEREAS, the amount of money necessary to balance the budget for general operating purposes from property tax revenue is \$86,355; and

WHEREAS, the Board of Directors finds that it is required to temporarily lower the operating mill levy to render a refund for \$0; and

WHEREAS, the amount of money necessary to balance the budget for voter-approved bonds and interest is \$259,066; and

WHEREAS, the amount of money necessary to balance the budget for contractual obligation purposes from property tax revenue as approved by voters from property tax revenue is \$0; and

WHEREAS, the amount of money necessary to balance the budget for capital expenditure purposes from property tax revenue as approved by voters or at public hearing is \$0; and

WHEREAS, the amount of money necessary to balance the budget for refunds/abatements is \$0; and

WHEREAS, the 2022 valuation for assessment for the District as certified by the County Assessor of Weld County is \$7,539,970; and

WHEREAS, at an election held on November 4, 2014, the District has eliminated the revenue and expenditure limitations imposed on governmental entities by Article X, Section 20 of the Colorado Constitution and Section 29-1-301, C.R.S., as amended.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE RIDGE AT HARMONY ROAD METROPOLITAN DISTRICT NO. 3 OF WELD COUNTY, COLORADO:

Section 1. Adoption of Budget. That the budget as submitted, and attached hereto and incorporated herein by this reference, and if amended, then as amended, is hereby approved and adopted as the budget of The Ridge at Harmony Road Metropolitan District No. 3 for calendar year 2023.

Section 2. Budget Revenues. That the estimated revenues for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 3. Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 4. Levy of General Property Taxes. That the Board of Directors does hereby certify the levy of general property taxes for collection in 2023 as follows:

A. Levy for General Operating and Other Expenses. That for the purposes of meeting all general operating expense of the District during the 2023 budget year, there is hereby levied a tax of 11.453 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2022.

B. Temporary Tax Credit or Rate Reduction. That pursuant to Section 39-1-111.5, C.R.S. for the purposes of effect of a refund for the purposes set forth in Section 20 of Article X of the Colorado Constitution, there is hereby certified a temporary property tax credit or temporary mill levy rate reduction of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2022.

C. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all debt retirement expense of the District during the 2023 budget year, as the funding requirements of the current outstanding general obligation indebtedness is detailed in the

following "Certification of Tax Levies," there is hereby levied a tax of 34.359 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2022.

D. Levy for Contractual Obligations. That for the purposes of meeting the contractual obligation expense of the District during the 2023 budget year, as detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2022.

E. Levy for Capital Expenditures. That for the purposes of meeting all capital expenditures of the District during the 2023 budget year pursuant to Section 29-1-301(1.2) or 29-1-302(1.5), C.R.S., 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 boundaries of the District for the year 2022.

F. Levy for Refunds/Abatements. That for the purposes of recoupment of refunds/abatements of taxes pursuant to Section 39-10-114(1)(a)(I)(B), C.R.S., 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 boundaries of the District for the year 2022.

Section 5. Property Tax and Fiscal Year Spending Limits. That, being fully informed, the Board finds that the foregoing budget and mill levies do not result in a violation of any applicable property tax or fiscal year spending limitation.

Section 6. Certification. That the appropriate officers of the District are hereby authorized and directed to certify by December 15, 2022, to the Board of County Commissioners of Weld County, Colorado, the mill levies for the District herein above determined and set, or be authorized and directed to certify to the Board of County Commissioners of Weld County, Colorado, as herein above determined and set, but as recalculated as needed upon receipt of the final certification of valuation from the County Assessor on or about December 10, 2022 in order to comply with any applicable revenue and other budgetary limits or to implement the intent of the District. That said certification shall be in substantially the form set out and attached hereto and incorporated herein by this reference.

Section 7. 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.

[remainder of page intentionally left blank; signature page follows]

ADOPTED this 5th day of December, 2022.

THE RIDGE AT HARMONY ROAD
METROPOLITAN DISTRICT NO. 3

Jeff Mark

President

ATTEST:

S. Alan Vancil

Secretary

The Ridge at Harmony Road Metropolitan District No. 3			
General Fund Budget			
Year Ended 12/31/2023			
Modified Accrual Basis			
	2021	2022	2023
	Actual	Estimated	Proposed Budget
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
REVENUES			
Property Tax	54,986	82,597	86,355
Specific Ownership Tax	2,761	4,914	5,182
Interest on Delinquent Tax	19	23	-
Contingency Income	-	-	300
Total Revenues	57,766	87,534	91,837
EXPENDITURES			
County Collection Fee - 1.5% of Property Tax	825	1,239	1,295
Intergvt Expense - District 4 General Fund	56,941	86,295	90,242
Contingency Expense	-	-	300
Total Expenses	57,766	87,534	91,837
Excess of Revenues over Expenditures	-	-	-
ENDING FUND BALANCE	\$ -	\$ -	\$ -
Emergency Reserve - 3% of Expenses	\$ -	\$ -	\$ -
Unrestricted Fund Balance	-	-	-

The Ridge at Harmony Road Metropolitan District No. 3			
Debt Service Fund Budget			
Year Ended 12/31/2023			
Modified Accrual Basis			
	2021	2022	2023
	Actual	Estimated	Proposed Budget
BEGINNING FUND BALANCE	\$ 145,506	\$ 1,561	\$ 264
REVENUES			
Property Tax	159,455	239,524	259,066
Interest on delinquent property tax	55	68	-
Specific Ownership tax	8,012	14,250	15,543
Transfer from District 1 Debt Fund	13,700	206,304	309,609
Transfer from District 1 Capital Fund	235,000	-	-
Transfer from District 4 Debt Fund	225	150	160
Total Revenues	416,447	460,296	584,378
EXPENDITURES			
County Collection Fee - 1.5% of Property Tax	2,392	3,593	3,886
Interest on Bond	558,000	458,000	574,000
Total Expenditures	560,392	461,593	577,886
Excess of Revenues over Expenditures	(143,945)	(1,297)	6,492
ENDING FUND BALANCE	\$ 1,561	\$ 264	\$ 6,756

The Ridge at Harmony Road Metro Districts 1-4					
Property Taxes					
2022 Valuations for 2023 Taxes					
		1504	1505	1506	1673
	Combined	District No. 1	District No. 2	District No. 3	District No. 4
Vacant Residential Land - Market Value	1,288,624	1,059,257	15,915	198,113	15,339
Percentage	29%	29%	29%	29%	29%
Assessed Value	373,720	307,200	4,620	57,450	4,450
Residential Land & Improvements - Market Value	404,031,809	117,153,234	181,802,234	105,076,341	-
Percentage	6.95%	6.95%	6.95%	6.95%	7.20%
Assessed Value	28,077,080	8,141,210	12,633,900	7,301,970	-
Commercial	50,356	37,111	12,018	1,227	-
Percentage	29%	29%	29%	29%	-
Assessed Value	14,600	10,760	3,480	360	-
Agricultural Land & Buildings Market Value	1	-	-	1	-
Percentage	29%	29%	29%	29%	29%
Assessed Value	10	-	-	10	-
Severed Mineral Interests	-	-	-	-	-
Percentage	29%	-	-	29%	29%
Assessed Value	-	-	-	-	-
Public Utility state value	2,207,108	564,721	1,021,075	621,312	-
Percentage	29%	29%	29%	29%	-
Assessed Value	640,060	163,770	296,110	180,180	-
Total Assessed Value - Final AV as of 11/28/22	29,105,470	8,622,940	12,938,110	7,539,970	4,450
Mill Levy - General Operating & Debt Service	43.418	45.812	45.812	45.812	45.812
2022 Property Tax to be paid in 2023	\$ 1,333,380	\$ 395,034	\$ 592,721	\$ 345,421	\$ 204
Tax based on Mill Levy for 2023					
Capital - Debt	\$ 1,000,036	\$ 296,276	\$ 444,541	\$ 259,066	\$ 153
Operations & Maintenance	\$ 333,344	\$ 98,758	\$ 148,180	\$ 86,355	\$ 51
Total	\$ 1,333,380	\$ 395,034	\$ 592,721	\$ 345,421	\$ 204
Mill Levy Charged for 2023					
Capital - Debt		34.359	34.359	34.359	34.359
Operations & Maintenance		11.453	11.453	11.453	11.453
Total		45.812	45.812	45.812	45.812

The Ridge at Harmony Road Metropolitan District No. 3
Weld County, CO
2023 Budget Narrative

The Ridge at Harmony Road Metropolitan District No. 3 is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act and was formed in February 2015. The District was established as part of a “Multiple District Structure” for The Ridge at Harmony Road community located in the Town of Windsor, Weld County, Colorado and is generally described as a Tract of land located in Section 31, Township 7 North, Range 67 West of the 6th P.M., and consists of approximately 108.2 acres. In 2020, an Amended and Restated Master Intergovernmental Agreement was approved by the Board designating District 1, 2 and 3 as “Financing Districts” and District No. 4 as the “Operating District”. Along with its companion Districts No. 4 (“Service District”) and No. 2 and No. 1 (“Financing Districts”) this Financing District was organized to provide financing for the design, acquisition, construction and installation of public improvements, facilities and services. The public improvements to be provided by the Districts are proposed to include the types of facilities and improvements for a non-potable water system, streets and roadways, street landscaping, signage, monuments, and lighting, safety protection, park and recreation, sanitation and storm drainage, water improvements and other related improvements and their operation and maintenance.

The District has no employees at this time and all operations and administrative functions are contracted.

The following budget is prepared on the modified accrual basis of accounting, in accordance with requirements of Colorado Revised Statutes C.R.S. 29-1-105.

GENERAL FUND
REVENUES

1. Property Taxes are based on the assessed value of property within the District as established by Weld County. Mill levies are budgeted for Operations and Maintenance at 11.453 mills.
2. Specific ownership taxes are budgeted at 6% of property taxes collected. These taxes are set by the state and collected by the county treasurer primarily on vehicle licensing within the county as a whole. They are allocated by the county treasurer to all taxing entities within the county.
3. Contingency income is budgeted for \$300 to cover any additional revenue of the District.

EXPENDITURES

1. County property tax collection fee based on 1.5% of the property tax received.
2. Net Operations & Maintenance tax revenues are paid as Intergovernmental Expenses to District #4.
3. Contingency expense is budgeted for \$300 to cover any additional expense of the District.

CAPITAL FUND

1. No revenue or expenses are budgeted for the Capital Fund in 2023.

**The Ridge at Harmony Road Metropolitan District No. 3
Weld County, CO
2023 Budget Narrative**

**DEBT SERVICE FUND
REVENUES**

1. Property Taxes are based on the assessed value of property within the District as established by Weld County. Mill levies are budgeted for Debt Service at 34.359 mills.
2. Specific ownership taxes are budgeted at 6% of property taxes collected. These taxes are set by the state and collected by the county treasurer primarily on vehicle licensing within the county as a whole. They are allocated by the county treasurer to all taxing entities within the county.
3. A transfer from the District #4 Debt Fund is budgeted for \$159.

EXPENDITURES

1. The County property tax collection fee is based on 1.5% of the property tax received.
2. Interest on the Bond is budgeted in the amount of \$574,000.

DEBT AND LEASES

The District has no debt, nor any operating or capital leases.

RESERVES

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year revenues. Since substantially all funds received by the District are transferred to District #4, which pays for all of the Districts' operations and maintenance costs, an emergency reserve is not reflected in the District's Budget.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Weld County, Colorado.

On behalf of the The Ridge at Harmony Road Metro District No. 3,
(taxing entity)^A

the Board of Directors
(governing body)^B

of the The Ridge at Harmony Road Metro District No. 3
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 7,539,970 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: \$ 7,539,970 (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: 12/08/2022 for budget/fiscal year 2023.
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	<u>11.453</u> mills	\$ <u>86,355</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	<u>11.453</u> mills	<u>\$ 86,355</u>
3. General Obligation Bonds and Interest ^J	<u>34.359</u> mills	\$ <u>259,066</u>
4. Contractual Obligations ^K	_____ mills	\$ _____
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]	<u>45.812</u> mills	<u>\$ 345,421</u>

Contact person: Seef Le Roux Daytime phone: (719) 635 - 0330

Signed:  Title: Accountant for the District

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: | <u>Public Infrastructure</u> |
| | Series: | <u>Limited Tax General Obligation Bonds, Series 2020</u> |
| | Date of Issue: | <u>April 20, 2020</u> |
| | Coupon Rate: | <u>5.00%</u> |
| | Maturity Date: | <u>December 15, 2049</u> |
| | Levy: | <u>34.359</u> |
| | Revenue: | <u>259,066</u> |
| | | |
| 2. | Purpose of Issue: | _____ |
| | Series: | _____ |
| | Date of Issue: | _____ |
| | Coupon Rate: | _____ |
| | Maturity Date: | _____ |
| | Levy: | _____ |
| | Revenue: | _____ |

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 separately report all bond and contractual obligations per 32-1-1603, C.R.S.

LETTER OF BUDGET TRANSMITTAL

Date: January 23, 2023

To: Division of Local Government
1313 Sherman Street, Room 521
Denver, Colorado 80203

Attached are the 2023 budget and budget message for THE RIDGE AT HARMONY ROAD METROPOLITAN DISTRICT NO. 4 in Weld County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on December 5, 2022. If there are any questions on the budget, please contact:

CliftonLarsonAllen LLP
8390 East Crescent Parkway, Suite 500
Greenwood Village, CO 80111
Tel: 303-779-5710

I, Jeff Mark as President of The Ridge at Harmony Road Metropolitan District No. 4, hereby certify that the attached is a true and correct copy of the 2023 budget.

By: Jeff Mark

RESOLUTION
TO ADOPT 2023 BUDGET, APPROPRIATE SUMS OF MONEY,
AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY
THE RIDGE AT HARMONY ROAD METROPOLITAN DISTRICT NO. 4

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2023 TO HELP DEFRAY THE COSTS OF GOVERNMENT, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE RIDGE AT HARMONY ROAD METROPOLITAN DISTRICT NO. 4, WELD COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2023, AND ENDING ON THE LAST DAY OF DECEMBER, 2023,

WHEREAS, the Board of Directors of The Ridge at Harmony Road Metropolitan District No. 4 has authorized its consultants to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, the proposed budget has been submitted to the Board of Directors of the District for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on December 5, 2022 and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues or planned to be expended from reserves or fund balances so that the budget remains in balance, as required by law; and

WHEREAS, the amount of money necessary to balance the budget for general operating purposes from property tax revenue is \$51; and

WHEREAS, the Board of Directors finds that it is required to temporarily lower the operating mill levy to render a refund for \$0; and

WHEREAS, the amount of money necessary to balance the budget for voter-approved bonds and interest is \$0; and

WHEREAS, the amount of money necessary to balance the budget for contractual obligation purposes from property tax revenue as approved by voters from property tax revenue is \$153; and

WHEREAS, the amount of money necessary to balance the budget for capital expenditure purposes from property tax revenue as approved by voters or at public hearing is \$0; and

WHEREAS, the amount of money necessary to balance the budget for refunds/abatements is \$0; and

WHEREAS, the 2022 valuation for assessment for the District as certified by the County Assessor of Weld County is \$4,450; and

WHEREAS, at an election held on November 5, 2019, the District has eliminated the revenue and expenditure limitations imposed on governmental entities by Article X, Section 20 of the Colorado Constitution and Section 29-1-301, C.R.S., as amended.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE RIDGE AT HARMONY ROAD METROPOLITAN DISTRICT NO. 4 OF WELD COUNTY, COLORADO:

Section 1. Adoption of Budget. That the budget as submitted, and attached hereto and incorporated herein by this reference, and if amended, then as amended, is hereby approved and adopted as the budget of The Ridge at Harmony Road Metropolitan District No. 4 for calendar year 2023.

Section 2. Budget Revenues. That the estimated revenues for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 3. Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 4. Levy of General Property Taxes. That the Board of Directors does hereby certify the levy of general property taxes for collection in 2023 as follows:

A. Levy for General Operating and Other Expenses. That for the purposes of meeting all general operating expense of the District during the 2023 budget year, there is hereby levied a tax of 11.453 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2022.

B. Temporary Tax Credit or Rate Reduction. That pursuant to Section 39-1-111.5, C.R.S. for the purposes of effect of a refund for the purposes set forth in Section 20 of Article X of the Colorado Constitution, there is hereby certified a temporary property tax credit or temporary mill levy rate reduction of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2022.

C. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all debt retirement expense of the District during the 2023 budget year, as the funding requirements of the current outstanding general obligation indebtedness is detailed in the

following "Certification of Tax Levies," there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2022.

D. Levy for Contractual Obligations. That for the purposes of meeting the contractual obligation expense of the District during the 2023 budget year, as detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 34.359 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2022.

E. Levy for Capital Expenditures. That for the purposes of meeting all capital expenditures of the District during the 2023 budget year pursuant to Section 29-1-301(1.2) or 29-1-302(1.5), C.R.S., 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 boundaries of the District for the year 2022.

F. Levy for Refunds/Abatements. That for the purposes of recoupment of refunds/abatements of taxes pursuant to Section 39-10-114(1)(a)(I)(B), C.R.S., 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 boundaries of the District for the year 2022.

Section 5. Property Tax and Fiscal Year Spending Limits. That, being fully informed, the Board finds that the foregoing budget and mill levies do not result in a violation of any applicable property tax or fiscal year spending limitation.

Section 6. Certification. That the appropriate officers of the District are hereby authorized and directed to certify by December 15, 2022, to the Board of County Commissioners of Weld County, Colorado, the mill levies for the District herein above determined and set, or be authorized and directed to certify to the Board of County Commissioners of Weld County, Colorado, as herein above determined and set, but as recalculated as needed upon receipt of the final certification of valuation from the County Assessor on or about December 10, 2022 in order to comply with any applicable revenue and other budgetary limits or to implement the intent of the District. That said certification shall be in substantially the form set out and attached hereto and incorporated herein by this reference.

Section 7. 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.

[remainder of page intentionally left blank; signature page follows]

ADOPTED this 5th day of December, 2022.

THE RIDGE AT HARMONY ROAD
METROPOLITAN DISTRICT NO. 4

Jeff Mark

President

ATTEST:

S. Alan Vancil

Secretary

The Ridge at Harmony Road Metropolitan District No. 4			
General Fund Budget			
Year Ended 12/31/2023			
Modified Accrual Basis	2021	2022	2023
	Actual	Estimated	Proposed Budget
BEGINNING FUND BALANCE	\$ -	\$ 1,049	\$ 177,800
REVENUES			
Property Tax	75	75	51
Specific Ownership Tax	4	4	3
District Operations Fees - \$150 per home	108,715	140,000	145,200
Late fee on District Operations Fee	1,725	2,100	-
Interest on late District Operations Fee	1,609	1,151	-
Homeowner Fines	1,825	2,800	-
Interest on bank account	33	50	-
Intergov revenue from District 1 - Fund Balance	-	8,554	-
Intergovernmental revenue from District 1	8,235	71,143	103,202
Intergovernmental revenue from District 2	139,433	155,029	154,848
Intergovernmental revenue from District 3	56,941	86,295	90,242
Homeowner setup fee	47,600	36,000	30,000
Homeowner design review fee	14,200	7,000	7,000
Contingency	-	-	1,000
Total Revenues	380,395	510,201	531,546
EXPENDITURES			
General Management			
Accounting	20,192	10,000	12,000
Audit	10,000	-	-
Legal	13,498	12,000	12,000
County Collection Fee - 1.5% of Property Tax	1	1	1
District Management	50,368	68,966	81,312
Insurance	13,546	12,893	14,000
Dues & Subscriptions	1,185	1,590	1,700
Homeowner setup fee	47,600	36,000	30,000
Homeowner design review fee	14,200	7,000	7,000
Total General Management	170,590	148,450	158,013
Maintenance			
Landscape maintenance Contract	81,812	118,000	126,260
Capital Improvements-Sidewalks, Monument	11,637	15,000	270,000
Landscape sprinkler repair	17,207	5,000	10,000
Dog waste station maintenance	1,934	1,000	1,000
Tree and Shrub Replacement	-	-	15,000
Non-Potable System Management	7,821	-	-
Landscape Water	66,084	20,000	25,000
Street Lights & irrigation electric	7,797	11,000	11,000
Snow Removal	14,464	15,000	15,000
Contingency	-	-	5,000
Total Maintenance	208,756	185,000	478,260
Total Expenses	379,346	333,450	636,273
Excess of Revenues over Expenditures	1,049	176,751	(104,727)
Transfer from (to) District 1 General Fund	-	-	-
ENDING FUND BALANCE	\$ 1,049	\$ 177,800	\$ 73,073
Emergency Reserve - 3% of Revenues	\$ 11,400	\$ 15,300	\$ 15,900
Unrestricted Fund Balance	(10,351)	162,500	57,173

The Ridge at Harmony Road Metropolitan District No. 4			
Debt Fund			
Year Ended 12/31/2023			
Modified Accrual Basis			
	2021	2022	2023
	Actual	Estimated	Proposed Budget
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
REVENUES			
Property Tax	217	143	153
Specific Ownership Tax	11	9	9
Contingency Income	100	-	100
Total Revenues	328	152	262
EXPENDITURES			
County Collection Fee - 1.5% of Property Tax	3	2	2
Intergovernmental Expense - District 3 Debt Fund	225	150	160
Contingency Expense	100	-	100
Total Expenses	328	152	262
Excess of Revenues over Expenditures	-	-	-
ENDING FUND BALANCE	\$ -	\$ -	\$ -

The Ridge at Harmony Road Metro Districts 1-4					
Property Taxes					
2022 Valuations for 2023 Taxes		1504	1505	1506	1673
	Combined	District No. 1	District No. 2	District No. 3	District No. 4
Vacant Residential Land - Market Value	1,288,624	1,059,257	15,915	198,113	15,339
Percentage	29%	29%	29%	29%	29%
Assessed Value	373,720	307,200	4,620	57,450	4,450
Residential Land & Improvements - Market Value	404,031,809	117,153,234	181,802,234	105,076,341	-
Percentage	6.95%	6.95%	6.95%	6.95%	7.20%
Assessed Value	28,077,080	8,141,210	12,633,900	7,301,970	-
Commercial	50,356	37,111	12,018	1,227	-
Percentage	29%	29%	29%	29%	-
Assessed Value	14,600	10,760	3,480	360	-
Agricultural Land & Buildings Market Value	1	-	-	1	-
Percentage	29%	29%	29%	29%	29%
Assessed Value	10	-	-	10	-
Severed Mineral Interests	-	-	-	-	-
Percentage	29%	-	-	29%	29%
Assessed Value	-	-	-	-	-
Public Utility state value	2,207,108	564,721	1,021,075	621,312	-
Percentage	29%	29%	29%	29%	-
Assessed Value	640,060	163,770	296,110	180,180	-
Total Assessed Value - Final AV as of 11/28/22	29,105,470	8,622,940	12,938,110	7,539,970	4,450
Mill Levy - General Operating & Debt Service	43.418	45.812	45.812	45.812	45.812
2022 Property Tax to be paid in 2023	\$ 1,333,380	\$ 395,034	\$ 592,721	\$ 345,421	\$ 204
Tax based on Mill Levy for 2023					
Capital - Debt	\$ 1,000,036	\$ 296,276	\$ 444,541	\$ 259,066	\$ 153
Operations & Maintenance	\$ 333,344	\$ 98,758	\$ 148,180	\$ 86,355	\$ 51
Total	\$ 1,333,380	\$ 395,034	\$ 592,721	\$ 345,421	\$ 204
Mill Levy Charged for 2023					
Capital - Debt		34.359	34.359	34.359	34.359
Operations & Maintenance		11.453	11.453	11.453	11.453
Total		45.812	45.812	45.812	45.812

The Ridge at Harmony Road Metropolitan District No. 4
Weld County, CO
2023 Budget Narrative

The Ridge at Harmony Road Metropolitan District No. 4 is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act and was formed in February 2015. The District was established as part of a “Multiple District Structure” for The Ridge at Harmony Road community located in the Town of Windsor, Weld County, Colorado and is generally described as a Tract of land located in Section 31, Township 7 North, Range 67 West of the 6th P.M., and consists of approximately 5.1 acres. In 2020, an Amended and Restated Master Intergovernmental Agreement was approved by the Board designating District 1, 2 and 3 as “Financing Districts” and District No. 4 as the “Operating District”. Along with its companion Districts No. 1 (“Service District”) and No. 2 and No. 3 (“Financing Districts”) this District was organized to provide financing for the design, acquisition, construction and installation of public improvements, facilities and services. The public improvements to be provided by the Districts are proposed to include the types of facilities and improvements for a non-potable water system, streets and roadways, street landscaping, signage, monuments, and lighting, safety protection, park and recreation, sanitation and storm drainage, water improvements and other related improvements and their operation and maintenance.

The District has no employees at this time and all operations and administrative functions are contracted.

The following budget is prepared on the modified accrual basis of accounting, in accordance with requirements of Colorado Revised Statutes C.R.S. 29-1-105.

GENERAL FUND
REVENUES

1. Property Taxes are based on the assessed value of property within the District as established by Weld County. Mill levies are budgeted for Operations and Maintenance at 11.453 mills.
2. Specific ownership taxes are budgeted at 6% of property taxes collected. These taxes are set by the state and collected by the county treasurer primarily on vehicle licensing within the county as a whole. They are allocated by the county treasurer to all taxing entities within the county.
3. Intergovernmental revenue is budgeted for General Fund tax revenue from the Ridge at Harmony Road Metropolitan Districts #1, #2 and #3 are transferred to District #4. Districts #1, 2 and 3 have each assessed 11.453 mills for Operations and Maintenance for 2023. The related property tax revenue and an allocation of specific ownership tax are included in this budgeted revenue.
4. A District Operations and Maintenance fee of \$150 per home is budgeted for 2023 to supplement the mill levy revenue.
5. Fees are charged by District #4 to setup homeowners for billing and communications, to provide status letters for home closings and for design review.

**The Ridge at Harmony Road Metropolitan District No. 4
Weld County, CO
2023 Budget Narrative**

EXPENDITURES

1. County property tax collection fee based on 1.5% of the property tax received.
2. Expenditures include the operating and maintenance costs for Districts #1 - #4 since all of the net operating tax revenues of District #1 - #3 are transferred to District #4 as intergovernmental revenue.
3. Accounting fees include the monthly accounting for the District and the costs of the accounting firm to prepare periodic and annual financial statements, and to record mill levy certifications and budgets with regulatory authorities.
4. Audit is the cost to perform the annual audit of the District.
5. Legal fees are estimated based on the annual requirements of the District.
6. District Management costs are based on the fees required to manage the District.
7. Insurance is the estimated charges for the District through the Special District Insurance Pool.
8. The District Manager is paid the fees for Homeowner Setup, status letters and design review.
9. Landscape and Drainage maintenance is budgeted to maintain the common areas and drainage basins of the District as well as to water the grass.
10. Electric is for streetlights and the water pump

CAPITAL FUND

1. No revenue or expenses are budgeted for the Capital Fund in 2023.

DEBT SERVICE FUND

REVENUES

1. Property Taxes are based on the assessed value of property within the District as established by Weld County. Mill levies are budgeted for Debt Service at 34.359 mills.
2. Specific ownership taxes are budgeted at 6% of property taxes collected. These taxes are set by the state and collected by the county treasurer primarily on vehicle licensing within the county as a whole. They are allocated by the county treasurer to all taxing entities within the county.
3. Contingency income is budgeted for \$100 to cover any additional revenue of the District.

EXPENDITURES

1. The County property tax collection fee is based on 1.5% of the property tax received.
2. Net Debt Service tax revenues are paid as Intergovernmental Expenses to District #3.
3. Contingency expense is budgeted for \$100 to cover any additional expense of the District.

**The Ridge at Harmony Road Metropolitan District No. 4
Weld County, CO
2023 Budget Narrative**

DEBT AND LEASES

The District has no debt, nor any operating or capital leases.

RESERVES

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

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Weld County, Colorado.

On behalf of the The Ridge at Harmony Road Metro District No. 4,
(taxing entity)^A

the Board of Directors
(governing body)^B

of the The Ridge at Harmony Road Metro District No. 4
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 4,450 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: \$ 4,450 (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: 12/08/2021 for budget/fiscal year 2022.
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE <small>(see end notes for definitions and examples)</small>	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	<u>11.453</u> mills	\$ <u>51</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	11.453 mills	\$ 51
3. General Obligation Bonds and Interest ^J	_____ mills	\$ _____
4. Contractual Obligations ^K	<u>34.359</u> mills	\$ <u>153</u>
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
	_____ mills	\$ _____
TOTAL: <small>[Sum of General Operating Subtotal and Lines 3 to 7]</small>	45.812 mills	\$ 204

Contact person: Seef Le Roux Daytime phone: (719) 635 - 0330

Signed:  Title: Accountant for the District

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: | Contractual Obligation to The Ridge at Harmony Road Metropolitan District No. 3 |
| | Title: | Capital Pledge Agreement |
| | Date: | April 20, 2020 |
| | Principal Amount: | \$19,500,000 |
| | Maturity Date: | December 15, 2049 |
| | Levy: | 34.359 |
| | Revenue: | \$153 |
| | | |
| 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.