

RESOLUTION NO. 2022 - 10 - 02
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE HORSE CREEK METROPOLITAN DISTRICT
TO ADOPT THE 2023 BUDGET AND APPROPRIATE SUMS OF MONEY

WHEREAS, the Board of Directors of the Horse Creek Metropolitan District ("District") has appointed the District Accountant to prepare and submit a proposed 2023 budget to the Board at the proper time; and

WHEREAS, the District Accountant has submitted a proposed budget to this Board on or before October 15, 2022, for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on October 11, 2022, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, the budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, reserve transfers and expenditure exemptions, under Article X, Section 20 of the Colorado Constitution ("TABOR") and other laws or obligations which are applicable to or binding upon the District; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law.

WHEREAS, the Board of Directors of the District has made provisions therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget; and

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, as more fully set forth in the budget, including any interfund transfers listed therein, so as not to impair the operations of the District.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Horse Creek Metropolitan District:

1. That the budget as submitted, amended, and summarized by fund, hereby is approved and adopted as the budget of the Horse Creek Metropolitan District for the 2023 fiscal year.

2. That the budget, as hereby approved and adopted, shall be certified by the Secretary of the District to all appropriate agencies and is made a part of the public records of the District.

3. That the sums set forth as the total expenditures of each fund in the budget attached hereto as **EXHIBIT A** and incorporated herein by reference are hereby appropriated from the revenues of each fund, within each fund, for the purposes stated.

ADOPTED this 11th day of October, 2022.


Secretary

(SEAL)

EXHIBIT A
(Budget)

HORSE CREEK METROPOLITAN DISTRICT

2023 Budget Message

Introduction

The District was formed in 2004 for the purpose of providing design, financing, acquisition, and construction, of certain infrastructure improvements including water, streets, and sanitary sewer. All improvements constructed by the District have been conveyed to other governmental entities for perpetual maintenance.

The 2023 budget was prepared in accordance with the Local Government Budget Law of Colorado. The budget reflects the projected spending plan for the 2023 fiscal year based on available revenues. This budget provides for the annual debt service of the District's debt as well as the general operation of the District.

The District's assessed value decreased to \$15,739,860 in 2022 from \$16,152,550 in 2021. The District's mill levy was certified at 24.784 mills for taxes collected in the 2023 fiscal year with 18.593 mills dedicated to the Debt Service Fund and 6.191 mills dedicated to the General Fund.

Budgetary Basis of Accounting

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

Fund Summaries

General Fund is used to account for resources traditionally associated with government such as property taxes, specific ownership tax and expenditures which include district administration, legal services, and other expenses related to statutory operations of a local government.

Debt Service Fund is used to account for property taxes and other revenues dedicated to pay the fiscal year's debt expense which includes principal payments, interest payments, and administrative costs associated with debt issues. On July 20, 2021 the District refunded the Series 2013 General Obligation Refunding Bonds by entering into a Taxable (Converting to Tax-Exempt) Promissory Note, Series 2021 Below is a summary of the District's long-term debt under the Promissory Note, Series 2021..

Summary of Debt Outstanding

Taxable (Converting to Tax-Exempt) Promissory Note
Series 2021
\$3,730,000

Year	Principal	Interest	Annual Total
2023	110,000	110,479	220,479
2024	145,000	91,425	236,425
2025	145,000	87,582	232,582
2026	155,000	83,740	238,740
2027-2031	885,000	354,040	1,239,040
2032-2036	1,110,000	224,720	1,334,720
2037-2040	1,010,000	66,647	1,076,647
Total	\$ 3,560,000	\$ 1,018,633	\$ 4,578,633

Emergency Reserve

As required by the TABOR amendment to the Colorado Constitution, the District has provided for an Emergency Reserve in the amount of 3% of the total fiscal year revenues in the General Fund.

HORSE CREEK METROPOLITAN DISTRICT
Assessed Value, Property Tax and Mill Levy Information

	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
Assessed Valuation	\$ 15,283,500	\$ 16,152,550	\$ 15,739,860
Mill Levy			
General Fund	6.407	6.191	6.191
Debt Service Fund	18.593	18.593	18.593
Total Mill Levy	25.000	24.784	24.784
Property Taxes			
General Fund	\$ 97,921	\$ 100,000	\$ 97,445
Debt Service Fund	284,166	300,324	292,651
Temporary Mill Levy Reduction	-	-	-
Actual/Budgeted Property Taxes	\$ 382,087	\$ 400,324	\$ 390,096

HORSE CREEK METROPOLITAN DISTRICT

GENERAL FUND 2023 Adopted Budget with 2021 Actual, 2022 Adopted Budget and 2022 Estimated

	2021 Actual	2022 Adopted Budget	2022 Estimated	2023 Adopted Budget
BEGINNING FUND BALANCE	\$ 278,067	\$ 34,270	\$ 32,278	\$ 90,402
REVENUE				
Property Tax Revenue	97,922	100,000	100,000	97,445
Specific Ownership Taxes	9,443	8,500	8,500	5,847
Interest Income	256	40	200	200
Total Revenue	<u>107,621</u>	<u>108,540</u>	<u>108,700</u>	<u>103,492</u>
Total Funds Available	<u>385,688</u>	<u>142,810</u>	<u>140,978</u>	<u>193,894</u>
EXPENDITURES				
Accounting	15,974	13,650	13,650	14,800
District Management	12,675	9,135	9,135	9,900
Audit	4,992	5,242	5,325	5,700
Director's Fees	1,100	1,200	1,200	1,200
Insurance/SDA Dues	3,531	3,708	3,398	3,700
Legal	9,356	11,550	11,550	11,550
Election	14	2,000	1,051	1,200
Miscellaneous	1,310	3,675	3,675	3,600
Payroll Taxes	69	92	92	92
Treasurer's Fees	1,470	1,500	1,500	1,462
Contingency	-	50,000	-	50,000
Total Expenditures	<u>50,490</u>	<u>101,752</u>	<u>50,576</u>	<u>103,203</u>
TRANSFERS AND OTHER SOURCES (USES)				
Transfer To Debt Service	(302,920)	-	-	-
Emergency Reserve	-	(3,256)	-	(3,105)
Total Expenditures Requiring Appropriation	<u>353,410</u>	<u>105,008</u>	<u>50,576</u>	<u>106,308</u>
ENDING FUND BALANCE	<u>\$ 32,278</u>	<u>\$ 37,802</u>	<u>\$ 90,402</u>	<u>\$ 87,586</u>

HORSE CREEK METROPOLITAN DISTRICT

DEBT SERVICE FUND

2023 Adopted Budget

with 2021 Actual, 2022 Adopted Budget and 2022 Estimated

	2021 Actual	2022 Adopted Budget	2022 Estimated	2023 Adopted Budget
BEGINNING FUND BALANCE	\$ 502,557	\$ 18,149	\$ 74,289	\$ 150,030
REVENUE				
Property Tax Revenue	284,166	300,324	300,324	292,651
Specific Ownership Taxes	27,405	18,000	18,000	17,559
Interest Income	106	100	100	100
Total Revenue	<u>311,677</u>	<u>318,424</u>	<u>318,424</u>	<u>310,310</u>
Total Funds Available	<u>814,234</u>	<u>336,573</u>	<u>392,713</u>	<u>460,340</u>
EXPENDITURES				
Bond Principal	55,000	115,000	115,000	110,000
Bond Interest	136,656	119,438	119,438	110,479
Loan Issuance Costs	150,150	-	-	-
Paying Agent-Remarket Fees	466	3,500	3,500	3,500
Treasurer's Fees	4,265	4,505	4,505	4,390
Bank Fees	127	240	240	240
Contingency	-	3,500	-	3,500
Total Expenditures	<u>346,664</u>	<u>246,183</u>	<u>242,683</u>	<u>232,109</u>
TRANSFERS AND OTHER SOURCES (USES)				
Transfer From General Fund	302,920	-	-	-
Payment to Escrow Agent	(4,426,201)	-	-	-
Note Proceeds	3,730,000	-	-	-
Total Expenditures Requiring Appropriation	<u>4,772,865</u>	<u>246,183</u>	<u>242,683</u>	<u>232,109</u>
ENDING FUND BALANCE	<u>\$ 74,289</u>	<u>\$ 90,390</u>	<u>\$ 150,030</u>	<u>\$ 228,231</u>

I, JAMES STEVEN BECK, hereby certify that I am the duly appointed Secretary of the Horse Creek Metropolitan District, and that the foregoing is a true and correct copy of the budget for the budget year 2023, duly adopted at a meeting of the Board of Directors of the Horse Creek Metropolitan District held on October 11, 2022.

By:  _____
Secretary

RESOLUTION NO. 2022 - 10 - 03
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE HORSE CREEK METROPOLITAN DISTRICT
TO SET MILL LEVIES

WHEREAS, the Board of Directors of the Horse Creek Metropolitan District ("District") has adopted the 2023 annual budget in accordance with the Local Government Budget Law on October 11, 2022; and

WHEREAS, the adopted budget is attached to the Resolution of the Board of Directors to Adopt the 2023 Budget and Appropriate Sums of Money, and such budget is incorporated herein by this reference; and

WHEREAS, the amount of money necessary to balance the budget for general fund expenses from property tax revenue is identified in the budget; and

WHEREAS, the amount of money necessary to balance the budget for debt service fund expenses from property tax revenue is identified in the budget; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Horse Creek Metropolitan District:

1. That for the purposes of meeting all general fund expenses of the District during the 2023 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

2. That for the purposes of meeting all debt service fund expenses of the District during the 2023 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

3. That the Accountant of the District is hereby authorized and directed to immediately certify to the County Commissioners of Douglas County, Colorado, the mill levies for the District as set forth in the District's Certification of Tax Levies (attached hereto as **EXHIBIT A** and incorporated herein by reference), recalculated as needed upon receipt of the final certification of valuation from the County Assessor in order to comply with any applicable revenue and other budgetary limits.

ADOPTED this 11th day of October, 2022.



Secretary

EXHIBIT A
(Certification of Tax Levies)

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Douglas County, Colorado.

On behalf of the Horse Creek Metropolitan District,
 (taxing entity)^A
 the Board of Directors,
 (governing body)^B
 of the Horse Creek Metropolitan District,
 (local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 15,739,860 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: \$ 15,739,860 (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: 12/13/22 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>6.191</u> mills	\$ <u>97,445</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< <u>0.000</u> > mills	\$ < <u>0</u> >
SUBTOTAL FOR GENERAL OPERATING:	<u>6.191</u> mills	\$ <u>97,445</u>
3. General Obligation Bonds and Interest ^J	<u>18.593</u> mills	\$ <u>292,651</u>
4. Contractual Obligations ^K	<u>0.000</u> mills	\$ <u>0</u>
5. Capital Expenditures ^L	<u>0.000</u> mills	\$ <u>0</u>
6. Refunds/Abatements ^M	<u>0.000</u> mills	\$ <u>0</u>
7. Other ^N (specify): _____	<u>0.000</u> mills	\$ <u>0</u>
	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	<u>24.784</u> mills	\$ <u>390,096</u>

Contact person: (print) James H. Ruthven Daytime phone: (303) 987-0835
 Signed:  Title: District Accountant

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:	Refunding	
	Series:	Taxable (Convertible to Tax-Exempt) Promissory Note, Series 2021	
	Date of Issue:	July 20, 2021	
	Coupon Rate:	Varies	
	Maturity Date:	December 1, 2040	
	Levy:	18.593	
	Revenue:	\$292,651	

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.