

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

The Board of Directors of Westerly Metropolitan District No. 1 (the “**Board**”), Town of Erie, Weld County, Colorado (the “**District**”), held a special meeting, via teleconference on December 7, 2023, at the hour of 12:15 p.m.

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

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

NOTICE IS HEREBY GIVEN that the Boards of Directors (collectively the "Boards") of the WESTERLY METROPOLITAN DISTRICT NOS. 1-4 (collectively the "Districts"), will hold a meeting via teleconference on December 7, 2023 at 12:15 p.m. for the purpose of conducting such business as may come before the Boards including a public hearing on the 2024 proposed budgets (the "Proposed Budgets"). The necessity may also arise for an amendment to the 2023 budgets (the "Amended Budgets"). This meeting can be joined using the following teleconference information:

<https://us06web.zoom.us/j/81240280873?pwd=RibYzmV8Na3kZj84BUlsKp0CjvrtN8.1>
Meeting ID: 812 4028 0873; Passcode: 877836;
Call-In Number: 720-707-2699

NOTICE IS FURTHER GIVEN that the Proposed Budgets and Amended Budgets (if applicable) have been submitted to the Districts. A copy of the Proposed Budgets and Amended Budgets are on file in the office of CliftonLarsonAllen, LLP, 8390 East Crescent Parkway, Suite 300, Greenwood Village, CO 80111, where the same are open for public inspection. Any interested elector of the Districts may file any objections to the Proposed Budgets and Amended Budgets at any time prior to final adoption of the Proposed Budgets or the Amended Budgets by the Boards. This meeting is open to the public and the agenda for any meeting may be obtained at <https://westerlymetrodistricts1-4.com/> or by calling (303) 858-1800.

BY ORDER OF THE BOARD OF DIRECTORS:

WESTERLY METROPOLITAN DISTRICT NOS. 1-4, quasi-municipal corporations and political subdivisions of the State of Colorado

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

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Prairie Mountain Media, LLC

PUBLISHER'S AFFIDAVIT

County of Boulder
State of Colorado

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

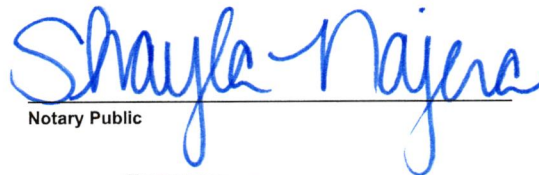
1. He/she is the legal Advertising Reviewer of Prairie Mountain Media LLC, publisher of the *Colorado Hometown*.
2. The *Colorado Hometown* is a newspaper of general circulation that has been published continuously and without interruption for at least fifty-two weeks in Boulder County and meets the legal requisites for a legal newspaper under Colo. Rev. Stat. 24-70-103.
3. The notice that is attached hereto is a true copy, published in the *Colorado Hometown* in Boulder County on the following date(s):

Dec 6, 2023


Signature

Subscribed and sworn to me before me this

22nd day of December, 2023.


Notary Public

(SEAL)

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

Account: 1051175
Ad Number: 2021072
Fee: \$36.83

WHEREAS, the Board has designated its accountant to prepare and submit a proposed budget to the Board in accordance with Colorado law; and

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

WHEREAS, upon due and proper notice, provided in accordance with Colorado law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held and interested electors were given the opportunity to register their protest to the proposed budget prior to the adoption of the budget by the Board.

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

Section 1. Adoption of Budget. The budget attached hereto and incorporated herein is approved and adopted as the budget of the District for fiscal year 2024. In the event of recertification of values by the County Assessor's Office after the date of adoption hereof, staff is hereby directed to modify and/or adjust the budget and certification to reflect the recertification without the need for additional Board authorization. Any such modification to the budget or certification as contemplated by this Section 1 shall be deemed ratified by the Board.

Section 2. Levy for General Operating Expenses. For the purpose of meeting all general operating expenses of the District during the 2024 budget year, there is hereby levied a tax of 10.394 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 3. Levy for Debt Service Obligations. For the purposes of meeting all debt service obligations of the District during the 2024 budget year, there is hereby levied a tax of 57.167 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 4. Levy for Contractual Obligation Expenses. For the purposes of meeting all contractual obligations of the District during the 2024 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 5. Levy for Capital Project Expenses. For the purposes of meeting all capital project obligations of the District during the 2024 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 6. Mill Levy Adjustment. When developing the attached budget, consideration was given to any changes in the method of calculating assessed valuation, including any changes to the assessment ratios, or any constitutionally mandated tax credit, cut or abatement, as authorized in the District's service plan. The Board hereby determines in good faith (such determination to be binding and final), that to the extent possible, the adjustments to the mill levies made to account for changes in Colorado law described in the prior sentence, and the actual tax revenues generated by the mill levies, are neither diminished nor enhanced as a result of those changes.

Section 7. Certification to County Commissioners. The Board directs its legal counsel, manager, accountant or other designee to certify to the Board of County Commissioners of Weld County, Colorado the mill levies for the District as set forth herein. Such certification shall be in compliance with the requirements of Colorado law.

Section 8. Appropriations. The amounts set forth as expenditures in the budget attached hereto are hereby appropriated.

Section 9. Filing of Budget and Budget Message. The Board hereby directs its legal counsel, manager or other designee to file a certified copy of the adopted budget resolution, the budget and budget message with the Division of Local Government by January 30 of the ensuing year.

Section 10. Budget Certification. The budget shall be certified by a member of the District, or a person appointed by the District, and made a part of the public records of the District.

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ADOPTED DECEMBER 7, 2023.

DISTRICT:

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

By: Heidi Majerik
Officer of the District

Attest:

By: Alexander P. Waldron

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

3/2/24
General Counsel to the District

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

I hereby certify that the foregoing resolution constitutes a true and correct copy of the record of proceedings of the Board adopted by a majority of the Board at a District meeting held via teleconference on December 7, 2023, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 7th day of December 2023.

Heidi Majerik

EXHIBIT A
BUDGET DOCUMENT
BUDGET MESSAGE

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

WESTERLY METROPOLITAN DISTRICT NO. 1
SUMMARY
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,

12/20/23

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ (33,651)	\$ 197,741	\$ -
REVENUES			
Property taxes	185	255	167
Specific ownership taxes	12	15	7
Interest income	4	16	25
Developer advance	1,892,407	3,240,123	17,178,274
Facilities fees	104,100	155,000	150,000
Sidewalk fees	130,616	125,000	100,000
Pool Fees	-	200,000	1,000,000
Damage fees	69,792	90,000	100,000
Other revenue	-	-	-
Transfer from WMD2	353	3,528	28,935
Transfer from WMD3	310	215	244
Transfer from WMD4	16,089,563	11,302,877	520
Total revenues	18,287,342	15,117,029	18,558,172
Total funds available	18,253,691	15,314,770	18,558,172
EXPENDITURES			
General Fund	112,303	124,962	158,000
Debt Service Fund	104,461	155,057	150,172
Capital Projects Fund	17,839,186	15,034,751	18,250,000
Total expenditures	18,055,950	15,314,770	18,558,172
Total expenditures and transfers out requiring appropriation	18,055,950	15,314,770	18,558,172
ENDING FUND BALANCES	\$ 197,741	\$ -	\$ -
EMERGENCY RESERVE	\$ 100	\$ 200	\$ 900
AVAILABLE FOR OPERATIONS	(2,579)	(200)	(900)
TOTAL RESERVE	\$ (2,479)	\$ -	\$ -

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

12/20/23

ACTUAL	ESTIMATED	BUDGET
2022	2023	2024

ASSESSED VALUATION

Agricultural	460	-	-
State assessed	2,130	2,460	2,170
Vacant land	-	1,470	290
	<u>2,590</u>	<u>3,930</u>	<u>2,460</u>
Certified Assessed Value	<u>\$ 2,590</u>	<u>\$ 3,930</u>	<u>\$ 2,460</u>

MILL LEVY

General	10.000	10.000	10.394
Debt Service	61.230	55.000	57.167
Total mill levy	<u>71.230</u>	<u>65.000</u>	<u>67.561</u>

PROPERTY TAXES

General	\$ 26	\$ 39	\$ 26
Debt Service	159	216	141
Levied property taxes	<u>185</u>	<u>255</u>	<u>167</u>
Adjustments to actual/rounding	-	-	-
Budgeted property taxes	<u>\$ 185</u>	<u>\$ 255</u>	<u>\$ 167</u>

BUDGETED PROPERTY TAXES

General	\$ 26	\$ 39	\$ 26
Debt Service	159	216	141
	<u>\$ 185</u>	<u>\$ 255</u>	<u>\$ 167</u>

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

12/20/23

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ (33,651)	\$ (2,479)	\$ -
REVENUES			
Property taxes	26	39	26
Specific ownership taxes	1	2	1
Interest income	1	-	-
Developer advance	142,775	123,379	128,274
Transfer from WMD2	353	3,528	28,935
Transfer from WMD3	310	215	244
Transfer from WMD4	9	278	520
Total revenues	143,475	127,441	158,000
Total funds available	109,824	124,962	158,000
EXPENDITURES			
General and administrative			
Accounting	52,102	63,000	90,000
Auditing	8,200	8,900	9,700
County Treasurer's fee	-	1	-
Dues and membership	1,066	1,100	1,200
Insurance	10,530	11,284	11,684
Legal	36,188	37,000	41,000
Miscellaneous	2,983	-	-
Election	1,234	3,077	-
Contingency	-	-	3,666
Website	-	600	750
Total expenditures	112,303	124,962	158,000
Total expenditures and transfers out requiring appropriation	112,303	124,962	158,000
ENDING FUND BALANCES	\$ (2,479)	\$ -	\$ -

WESTERLY METROPOLITAN DISTRICT NO. 1
DEBT SERVICE FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,

12/20/23

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ (188)	\$ -
REVENUES			
Property taxes	159	216	141
Specific ownership taxes	11	13	6
Interest income	3	16	25
Facilities fees	104,100	155,000	150,000
Other revenue	-	-	-
Total revenues	104,273	155,245	150,172
Total funds available	104,273	155,057	150,172
EXPENDITURES			
General and administrative			
County Treasurer's fee	2	3	2
Contingency	-	-	25
Transfers to other districts	104,459	155,054	150,145
Debt Service			
Total expenditures	104,461	155,057	150,172
Total expenditures and transfers out requiring appropriation	104,461	155,057	150,172
ENDING FUND BALANCES	\$ (188)	\$ -	\$ -

WESTERLY METROPOLITAN DISTRICT NO. 1
CAPITAL PROJECTS FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,

12/20/23

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ 200,408	\$ -
REVENUES			
Sidewalk fees	130,616	125,000	100,000
Pool Fees	-	200,000	1,000,000
Damage fees	69,792	90,000	100,000
Developer advance	1,749,632	3,116,744	17,050,000
Transfer from WMD4	16,089,554	11,302,599	-
Total revenues	18,039,594	14,834,343	18,250,000
Total funds available	18,039,594	15,034,751	18,250,000
EXPENDITURES			
General and Administrative			
Accounting	14,001	34,751	-
Capital Projects			
Repay developer advance	1,710,811	-	-
Engineering	72,128	250,000	250,000
Capital outlay	16,042,246	14,750,000	18,000,000
Total expenditures	17,839,186	15,034,751	18,250,000
Total expenditures and transfers out requiring appropriation	17,839,186	15,034,751	18,250,000
ENDING FUND BALANCES	\$ 200,408	\$ -	\$ -

WESTERLY METROPOLITAN DISTRICT NO. 1
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

SERVICES PROVIDED

The District, a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by order and decree of the Weld County District Court on June 24, 2020, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under a Service Plan approved by the Town of Erie.

The District was established to provide financing for the design, acquisition, installation, construction and completion of public improvements and services, including water, sanitation, street, safety protection, park and recreation, transportation, television relay and translation and mosquito control improvements and services.

Westerly Metro Districts Nos. 1-4 are expected to work together to provide for the acquisition, construction, and financing of the public improvements for the Development where District No. 1 acts as the operating district and provides for the construction or acquisition of the infrastructure, District No. 4 issues the debt and Districts No. 2 and 3 act as financing districts that levy taxes and support Districts 1 and 4.

The District has no employees and all administrative functions are contracted.

REVENUES

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

The District's maximum Required Mill Levy is 55.000 mills, adjusted for changes in the ratio of actual value to assessed value of property within the District. Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in a amount sufficient to pay the principal, premium if any, and interest on the Bonds as the same become due and payable. As of December 31, 2023, the adjusted maximum mill levy for debt service is 57.167 mills.

The calculation of the taxes levied is displayed on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

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

REVENUES (CONTINUED)

For property tax collection year 2024, SB22-238 and SB23B-001 set the assessment rates and actual value reductions as follows:

Category	Rate		Category	Rate		Actual Value Reduction	Amount
Single-Family Residential	6.70%		Agricultural Land	26.40%		Single-Family Residential	\$55,000
Multi-Family Residential	6.70%		Renewable Energy Land	26.40%		Multi-Family Residential	\$55,000
Commercial	27.90%		Vacant Land	27.90%		Commercial	\$30,000
Industrial	27.90%		Personal Property	27.90%		Industrial	\$30,000
Lodging	27.90%		State Assessed	27.90%		Lodging	\$30,000
			Oil & Gas Production	87.50%			

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 4% of the property taxes collected.

Developer Advance

The District is in the development stage. As such, the operating and administrative expenditures will be mainly funded by the Developer. A portion of the capital expenditures are also expected to be funded by the Developer. Developer advances are recorded as revenue for budget purposes with an obligation for future repayment when the District is financially able to reimburse the Developer from bond proceeds and other legally available revenue.

Facilities Fees

The District imposes a Facilities Fee of \$1,700 on each SFD and a Facilities Fee of \$1,200 on each SFA residential unit. The fees are payable by homebuilders at the time of issuance of building permits. The revenue from the fees is pledged for payment of bonds or any other indebtedness of the District.

Damage and Sidewalk Fees

The District collects fees for damages to sidewalks and other infrastructure caused by the construction of residential property. These fees will be used by the District to repair the damages.

Pool Fees

The District imposes fees between \$4,875 and \$6,500 to pay for a community pool.

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

EXPENDITURES

Administrative and Operating Expenditures

Operating and administrative expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, management, accounting, insurance and meeting expense. Estimated expenditures related to street repairs and maintenance, street lights, street sweeping, landscaping, mowing, parks and open space maintenance, utilities and snow removal were also included the General Fund budget.

County Treasurer's Fees

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

Capital Outlay

The District anticipates infrastructure improvements as noted in the Capital Projects fund.

Emergency Reserve

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

This information is an integral part of the accompanying forecasted budget.