

**RESOLUTION
TO ADOPT 2022 BUDGET, APPROPRIATE SUMS OF MONEY,
AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY
MEADOWBROOK HEIGHTS METROPOLITAN DISTRICT**

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2022 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 MEADOWBROOK HEIGHTS METROPOLITAN DISTRICT, JEFFERSON COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2022, AND ENDING ON THE LAST DAY OF DECEMBER, 2022,

WHEREAS, the Board of Directors of the Meadowbrook Heights Metropolitan District 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 November 1, 2021 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 \$5,062; 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 \$14,089; 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 2021 valuation for assessment for the District as certified by the County Assessor of Jefferson County is \$253,109; and

WHEREAS, at an election held on November 1, 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 MEADOWBROOK HEIGHTS METROPOLITAN DISTRICT OF JEFFERSON 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 Meadowbrook Heights Metropolitan District for calendar year 2022.

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 2022 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 2022 budget year, there is hereby levied a tax of 20.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2021.

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 2021.

C. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all debt retirement expense of the District during the 2022 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 55.664 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2021.

D. Levy for Contractual Obligations. That for the purposes of meeting the contractual obligation expense of the District during the 2022 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 2021.

E. Levy for Capital Expenditures. That for the purposes of meeting all capital expenditures of the District during the 2022 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 2021.

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 2021.

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, 2021, to the Board of County Commissioners of Jefferson 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 Jefferson 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, 2021 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.

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ADOPTED this 1st day of November, 2021.

MEADOWBROOK HEIGHTS METROPOLITAN DISTRICT



President

LETTER OF BUDGET TRANSMITTAL


Date: January ____, 2022

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

Attached are the 2022 budget and budget message for MEADOWBROOK HEIGHTS METROPOLITAN DISTRICT in Jefferson County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on November 1, 2021. If there are any questions on the budget, please contact:

Jason Carrol, CliftonLarsonAllen, LLP
8390 E. Crescent Pkwy., Ste. 2000
Greenwood Village, CO 80111
Tel.: 303-779-4525

I, Kent Pedersen, as President of the Meadowbrook Heights Metropolitan District, hereby certify that the attached is a true and correct copy of the 2022 budget.

By: 

ATTACH COPY OF THE ADOPTED BUDGET AND
THE CERTIFICATION OF TAX LEVIES

MEADOWBROOK HEIGHTS METROPOLITAN DISTRICT
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2022

**MEADOWBROOK HEIGHTS METROPOLITAN DISTRICT
SUMMARY
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

1/10/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCES	\$ -	\$ (11,913)	\$ 8,188
REVENUES			
Property taxes	-	45,173	19,151
Specific ownership tax	-	3,162	1,340
Interest income	-	10	-
Developer advance	37,442	5,159,355	95,000
Bond issuance	-	4,921,000	-
Total revenues	<u>37,442</u>	<u>10,128,700</u>	<u>115,491</u>
TRANSFERS IN	<u>-</u>	<u>12,728</u>	<u>23,331</u>
Total funds available	<u>37,442</u>	<u>10,129,515</u>	<u>147,010</u>
EXPENDITURES			
General Fund	49,355	53,915	85,000
Debt Service Fund	-	-	38,406
Capital Projects Fund	-	10,054,684	-
Total expenditures	<u>49,355</u>	<u>10,108,599</u>	<u>123,406</u>
TRANSFERS OUT	<u>-</u>	<u>12,728</u>	<u>23,331</u>
Total expenditures and transfers out requiring appropriation	<u>49,355</u>	<u>10,121,327</u>	<u>146,737</u>
ENDING FUND BALANCES	<u>\$ (11,913)</u>	<u>\$ 8,188</u>	<u>\$ 273</u>
EMERGENCY RESERVE	<u>\$ -</u>	<u>\$ 1,500</u>	<u>\$ 200</u>
TOTAL RESERVE	<u>\$ -</u>	<u>\$ 1,500</u>	<u>\$ 200</u>

No assurance provided. See summary of significant assumptions.

**MEADOWBROOK HEIGHTS METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

1/10/22

ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
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ASSESSED VALUATION

Vacant Land	-	597,021	51,890
State assessed	-	-	9
Residential	-	-	200,100
Personal property	-	-	1,110
Certified Assessed Value	<u>\$ -</u>	<u>\$ 597,021</u>	<u>\$ 253,109</u>

MILL LEVY

General	0.000	75.664	20.000
Debt Service	0.000	0.000	55.664
Total mill levy	<u>0.000</u>	<u>75.664</u>	<u>75.664</u>

PROPERTY TAXES

General	\$ -	\$ 45,173	\$ 5,062
Debt Service	-	-	\$ 14,089
Budgeted property taxes	<u>\$ -</u>	<u>\$ 45,173</u>	<u>\$ 19,151</u>

BUDGETED PROPERTY TAXES

General	\$ -	\$ 45,173	\$ 5,062
Debt Service	-	-	\$ 14,089
	<u>\$ -</u>	<u>\$ 45,173</u>	<u>\$ 19,151</u>

**MEADOWBROOK HEIGHTS METROPOLITAN DISTRICT
GENERAL FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

1/10/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCES	\$ -	\$ (11,913)	\$ 8,188
REVENUES			
Property taxes	-	45,173	5,062
Specific ownership tax	-	3,162	354
Developer advance	37,442	38,409	95,000
Total revenues	<u>37,442</u>	<u>86,744</u>	<u>100,416</u>
Total funds available	<u>37,442</u>	<u>74,831</u>	<u>108,604</u>
EXPENDITURES			
General and administrative			
Accounting	9,594	15,000	16,500
County Treasurer's fee	-	678	76
Election expense	569	-	2,000
District management	-	10,000	11,000
Insurance and bonds	100	2,237	3,000
Legal services	17,681	10,000	11,500
Dues and licenses	-	1,000	1,500
Miscellaneous	-	10,000	5,000
Trash removal	-	5,000	7,500
Landscape maintenance	-	-	23,600
Engineering	21,411	-	-
Contingency	-	-	3,324
Total expenditures	<u>49,355</u>	<u>53,915</u>	<u>85,000</u>
TRANSFERS OUT			
Transfers to other funds	<u>-</u>	<u>12,728</u>	<u>23,331</u>
Total expenditures and transfers out requiring appropriation	<u>49,355</u>	<u>66,643</u>	<u>108,331</u>
ENDING FUND BALANCES	<u>\$ (11,913)</u>	<u>\$ 8,188</u>	<u>\$ 273</u>
EMERGENCY RESERVE	<u>\$ -</u>	<u>\$ 1,500</u>	<u>\$ 200</u>
TOTAL RESERVE	<u>\$ -</u>	<u>\$ 1,500</u>	<u>\$ 200</u>

No assurance provided. See summary of significant assumptions.

**MEADOWBROOK HEIGHTS METROPOLITAN DISTRICT
DEBT SERVICE FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

1/10/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	-	-	14,089
Specific Ownership Tax	-	-	986
Total revenues	-	-	15,075
TRANSFERS IN			
Transfers from other funds	-	-	23,331
Total funds available	-	-	38,406
EXPENDITURES			
Debt service			
County Treasurer's fee	-	-	211
Bond Interest - Series 2021A(3)	-	-	38,195
Paying agent fees	-	-	4,000
Total expenditures	-	-	38,406
Total expenditures and transfers out requiring appropriation	-	-	38,406
ENDING FUND BALANCES	\$ -	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

**MEADOWBROOK HEIGHTS METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

1/10/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Bond issuance	-	4,921,000	-
Interest income	-	10	-
Developer advance	-	5,120,946	-
Total revenues	-	10,041,956	-
TRANSFERS IN			
Transfers from other funds	-	12,728	-
Total funds available	-	10,054,684	-
EXPENDITURES			
Capital Projects			
Recognition of costs	-	5,120,946	-
Bond issue costs	-	319,414	-
Engineering	-	12,738	-
Capital outlay	-	4,601,586	-
Total expenditures	-	10,054,684	-
Total expenditures and transfers out requiring appropriation	-	10,054,684	-
ENDING FUND BALANCES	\$ -	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

**MEADOWBROOK HEIGHTS METROPOLITAN DISTRICT
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The Meadowbrook Heights Metropolitan District was approved by eligible electors of the District at an election held on November 5, 2019. The District was organized by order of the District County in and for Jefferson County on December 9, 2020. The District exists as a quasi-municipal corporation and political subdivision of the State of Colorado under Title 32, Article 1 of the Colorado Revised Statutes, as amended (C.R.S). The District was established to provide financing for the design, acquisition, installation, construction, and completion of public improvements and services, including sanitation, water, streets, traffic and safety controls, landscaping, park and recreation, television relay and translation, mosquito control, security, covenant enforcement, and fire protection.

On November 5, 2019 the District's voters authorized total indebtedness of \$88,000,000 for capital improvements, \$8,000,000 for the purpose of refunding debt, \$8,000,000 for operations and maintenance debt, \$8,000,000 for reimbursement agreement as debt, \$8,000,000 for special assessment debt and \$8,000,000 in revenue debt. The service plan has limitation on the issuance of debt of \$8,000,000.00

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

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of the Colorado Revised Statutes C,R,S, 29-1-105 using its best estimates as of the date of the budget hearing. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

REVENUES

Developer Advance

The District is in the development stage. As such, the operating and administrative expenditures will be mainly 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.

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 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.

**MEADOWBROOK HEIGHTS METROPOLITAN DISTRICT
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

REVENUES – (continued)

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 7% of the property taxes collected.

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.

County Treasurer's Fees

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

Debt and Leases

The District issued Series 2021A₍₃₎ Bonds on July 12, 2021 in the amount of \$4,921,000.

Proceeds from the sale of the Series 2021A₍₃₎ Bonds will be used for the purposes of (1) financing or reimbursing a portion of the costs of designing, acquiring, constructing, relocating, installing, completing, and providing certain public infrastructure improvements related to the Development and (2) paying the costs of issuing the Bonds.

The Series 2021A₍₃₎ Bonds bear interest of 4.875% and are payable semi-annually on June 1 and December 1, beginning on June 1, 2022. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2034. The Series 2021A₍₃₎ Bonds mature on December 1, 2051. The Bonds are limited tax "cash flow" general obligations of the District payable solely from and to the extent of the Pledged Revenue as provided in the Indenture and as defined and described herein. The primary component of the Pledged Revenue is expected to be property tax revenues imposed and collected by the District and pledged to the payment of the Bonds pursuant to the Indenture.

**MEADOWBROOK HEIGHTS METROPOLITAN DISTRICT
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases – (continued)

The Bonds are secured by and payable solely from and to the extent of Pledged Revenue which means:

- (a) the Required Mill Levy;
- (b) the portion of the Specific Ownership Tax which is collected as a result of the imposition of the Required Mill Levy; and
- (c) any other legally available moneys which the District determines, in its absolute discretion, to transfer to the Trustee for application as Pledged Revenue.

Any revenue received by the District from any PILOT (payment in lieu of taxes) as a result of the imposition of the Required Mill Levy shall be pledged and treated hereunder in the same fashion as ad valorem mill levy revenues derived from the Required Mill Levy.

Required Mill Levy

Pursuant to the Indenture, the District has covenanted to impose a Required Mill Levy on all taxable property of the District each year in the amount of 55.664 mills less the number of mills necessary to pay unlimited debt (subject to adjustment for changes in the method of calculating assessed valuation that occur after January 1, 2019), or such lesser mill levy as will fund the Bond Fund to an amount sufficient to pay all outstanding principal and interest (both accrued and compounded) due on the Bonds.

The following table shows the District’s long-term obligations through December 31, 2021:

	Balance - December 31, 2020	Additions	Retirements/ Reductions	Balance - December 31, 2021
G.O. Limited Tax Bonds - Series 2021A(3)	\$ -	\$ 4,921,000	\$ -	\$ 4,921,000
Developer Advances	37,442	38,409	-	75,851
Accrued Interest - Developer				
Advances	1,057	4,331	-	5,388
Total	<u>\$ 38,499</u>	<u>\$ 4,963,740</u>	<u>\$ -</u>	<u>\$ 5,002,239</u>
	Balance - December 31, 2021	Additions	Retirements/ Reductions	Balance - December 31, 2022
G.O. Limited Tax Bonds - Series 2021A(3)	\$ 4,921,000	\$ -	\$ -	\$ 4,921,000
Developer Advances	75,851	95,000	-	170,851
Accrued Interest - Developer				
Advances	5,388	8,644	-	14,032
Total	<u>\$ 5,002,239</u>	<u>\$ 103,644</u>	<u>\$ -</u>	<u>\$ 5,105,882</u>

**MEADOWBROOK HEIGHTS METROPOLITAN DISTRICT
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Emergency Reserve

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

This information is an integral part of the accompanying budget.