### **CERTIFIED RECORD**

OF

## PROCEEDINGS RELATING TO

# SEVERANCE SOUTH METROPOLITAN DISTRICT NO. 4

WELD COUNTY, COLORADO

AND THE BUDGET HEARING

FOR FISCAL YEAR

2023

#### RESOLUTION

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES, ADOPTING A BUDGET, SETTING FORTH MILL LEVIES, AND APPROPRIATING SUMS OF MONEY TO THE GENERAL FUND IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE SEVERANCE SOUTH 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 Severance South 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 on November 09, 2022 in The Greeley Tribune, a newspaper having general circulation within the boundaries of the District, pursuant to statute, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on November 17, 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 so that the budget remains in balance, as required by law,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SEVERANCE SOUTH METROPOLITAN DISTRICT NO. 4 OF WELD COUNTY, COLORADO:

- Section 1. <u>2023 Budget Revenues</u>. That the estimated revenues for each fund as more specifically set out in the budget attached hereto are accepted and approved.
- Section 2. <u>2023 Budget Expenditures</u>. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.
- Section 3. Adoption of Budget for 2023. 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 Severance South Metropolitan District No. 4 for calendar year 2023.
- Section 4. <u>2023 Levy of Property Taxes.</u> That the foregoing budget indicated that the amount of money necessary to balance the budget from property taxes for the 2023 Budget year is \$13,855.00. That the 2022 valuation for assessment, as certified by the Weld County Assessor, is \$277,100.00.

- A. <u>Levy for General Operating Fund</u>. 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 50.000 mills upon each dollar of the 2022 total valuation of assessment of all taxable property within the District.
- Section 5. <u>Property Tax and Fiscal Year Spending Limits</u>. 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. <u>Certification to County Commissioners</u>. The District's manager is hereby authorized and directed to immediately certify to the County Commissioners of Weld County, Colorado, the 50.000 mill levy for the District hereinabove determined and set. That said certification shall be in substantially the following form:

[Remainder of Page Left Blank Intentionally.]

# CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners <sup>1</sup> of Weld County	, Colorado
On behalf of the Severance South Metro District 4	
	(taxing entity) <sup>A</sup>
the Board of Directors	D.
	(governing body) <sup>B</sup>
of the Severance South Metro District 4	local government) <sup>C</sup>
<b>Hereby</b> officially certifies the following mills to be levied against the taxing entity's GROSS \$ 277,100	
<b>Note:</b> If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area <sup>F</sup> 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: $\frac{277,100}{(\text{NET}^{G} \text{ a})}$	) assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
	r budget/fiscal year
(not later than Dec. 15) (mm/dd/yyyy)	(уууу)
PURPOSE (see end notes for definitions and examples)	LEVY <sup>2</sup> REVENUE <sup>2</sup>
1. General Operating Expenses <sup>H</sup>	mills \$
<ol> <li><minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction<sup>I</sup></minus></li> </ol>	< > mills \$ < >
SUBTOTAL FOR GENERAL OPERATING:	mills \$
3. General Obligation Bonds and Interest <sup>J</sup>	mills \$
4. Contractual Obligations <sup>K</sup>	50.000 mills \$13,855.00
5. Capital Expenditures <sup>L</sup>	mills \$
6. Refunds/Abatements <sup>M</sup>	mills \$
7. Other <sup>N</sup> (specify):	mills \$
	mills \$
TOTAL: [Sum of General Operating] Subtotal and Lines 3 to 7]	50.000 mills \$13,855.00
Contact person: (print) Brendan Campbell	Daytime phone: (970) 669-3611
Signed:	Title: District Accountant
Include one copy of this tax entity's completed form when filing the local go	overnment'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) 866-2156.

<sup>&</sup>lt;sup>1</sup> 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. <sup>2</sup> Levies must be rounded to three decimal places and revenue must be calculated from the total <u>NET assessed valuation</u> (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:

BON	DS <sup>J</sup> :	
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:	
CON	TRACTS <sup>k</sup> :	
3.	Purpose of Contract:	To fund Public Infrastructure and Operations for Severance South Metro
٥.	r dipose of continuou.	Districts.
	Title:	Intergovernmental Agreement
	Date:	2/14/2018
	Principal Amount:	
	Maturity Date:	
	Levy:	50.000
	Revenue:	\$13,855.00
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.

Section 7. <u>Appropriations</u>. 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.

Section 8. <u>Budget Certification.</u> That the budget shall be certified by Director McCarty, Secretary and Treasurer of the District, and made a part of the public records of Severance South Metropolitan District No. 4.

The foregoing Resolution was seconded by Director Pickett.

[Remainder of Page Left Blank Intentionally.]

# ADOPTED AND APPROVED this 17th day of November 2022.

			DocuSigned by:
		President	C06C8CE7D9464BB
ATTEST:			
<u> </u>	DocuSigned by: Eric McCarty  CD482C2A523B44A	_	

STATE OF COLORADO	)
COUNTY OF WELD	) )ss
	)
SEVERANCE SOUTH	)
METROPOLITAN	)
DISTRICT NO. 4	)

I, Eric McCarty, Secretary and Treasurer to the Board of Directors of the Severance South Metropolitan District No. 4, Weld County, Colorado, do hereby certify that the foregoing pages constitute a true and correct copy of the record of proceedings of the Board of Directors of said District, adopted at a meeting of the Board held via Microsoft Teams on Thursday, November 17, 2022, at 10:00 a.m., as recorded in the official record of the proceedings of the District, insofar as said proceedings relate to the budget hearing for fiscal year 2023; that said proceedings were duly had and taken; that the meeting was duly held; and that the persons were present at the meeting as therein shown. Further, I hereby certify that the attached budget is a true and accurate copy of the 2023 budget of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the official seal of the District this 17th day of November, 2022.





#### Management Budget Report

#### BOARD OF DIRECTORS SEVERANCE SOUTH METROPLITAN DISTRICT NO. 4

We have presented the accompanying forecasted budget of revenues, expenditures and fund balances for the year ending December 31, 2023 including the comparative information of the forecasted estimate for the year ending December 31, 2022 and the actual historic information for the year 2021.

These financial statements are designed for management purposes and are intended for those who are knowledgeable about these matters. We have not audited, reviewed or compiled the accompanying forecast and, accordingly, do not express an opinion or provide any assurance about whether the forecast is in accordance with accounting principles generally accepted in the United States of America. Substantially all the disclosures required by accounting principles generally accepted in the United States of America have been omitted. If the omitted disclosures were included in the forecast, they might influence the user's conclusions about the results of operations for the forecasted periods.

Pinnacle Consulting Group, Inc.

January 31, 2023

SEVERANCE SOUTH METROPOLITAN DIS	TRICT	NO. 4						
STATEMENT OF REVENUES & EXPENDITU	JRES W	ITH BUDGE	ETS					
GENERAL FUND								
		(a)		(b)		(c)		(f)
		2021		2022		2022		2023
	Ų	Jnaudited		Adopted		Projected		Adopted
Revenues		Actual		Budget		Actual	Budget	
Property Taxes	\$	30,286	\$	10,956	\$	10,956	\$	2,771
Specific Ownership Taxes		1,114		712		712		180
Interest & Other		126		5,000		-		5,000
Total Revenues	\$	31,526	\$	16,668	\$	11,668	\$	7,951
Expenditures								
Payment for Services to No. 1	\$	31,069	\$	11,504	\$	11,504	\$	2,909
Treasurer's Fees		456		164		164		42
Contingency		-		5,000		-		5,000
Total Operating Expenditures	\$	31,525	\$	16,668	\$	11,668	\$	7,951
Revenues Over/(Under) Expenditures	\$	1	\$	-	\$	-	\$	-
Beginning Fund Balance	\$	-	\$	au .	\$	1	\$	
Ending Fund Balance	\$	_	\$	-	\$	-	\$	in the second
Mill Levy								
Operating		10.000		10.000		10.000		10.000
Debt Service		40.000	<u> </u>	40.000		40.000		40.000
Total Mill Levy		50.000		50.000		50.000		50.000
Assessed Value	\$	2,219,000	\$	1,095,570	\$	1,095,570	\$	277,100
Property Tax Revenue		00.100	_	40.050		40.050		0.771
Operating		22,190		10,956		10,956		2,771
Debt Service		88,760	<u> </u>	43,823	_	43,823		11,084
Total Property Tax Revenue	\$	110,950	\$	54,779	\$	54,779		13,855

SEVERANCE SOUTH METROPOLITAN DISTR								
STATEMENT OF REVENUES & EXPENDITUR	ES W	ITH BUDGE	ETS					
DEBT SERVICE FUND								
		(a)		(b)		(c)		(f)
		2021		2022		2022		2023
	L	Jnaudited		Adopted		Projected		Adopted
Revenues		Actual		Budget		Actual		Budget
Property Tax	\$	121,143	\$	43,823	\$	43,823	\$	11,084
Specific Ownership Taxes		4,454		2,848		2,848		720
Transfer from Capital Fund		-		5,500,000		-		5,500,000
Interest Income		503	***************************************	500		-		500
Total Revenues	\$	126,100	\$	5,547,171	\$	46,671	\$	5,512,304
Expenditures								
Payment for Services to No. 1	\$	124,275	\$	· · · · · · · · · · · · · · · · · · ·	\$	46,014	\$	11,638
Treasurer's Fees	Ψ_	1,825	φ	657	φ	657	φ	166
Bond Interest		1,023		150,000		037		150,000
Paying Agent Fees				2,000				2,000
Contingency	-			44,514		<u>-</u>		2,000
Total Debt Service Expenditures	\$	126,100	\$	197,171	\$	46,671	\$	163,804
Revenues Over/(Under) Expenditures	\$		\$	5,350,000	\$		\$	5,348,500
				3,330,000	Ψ		Ė	3,340,300
Beginning Fund Balance	\$		\$	-	\$	<b>*</b>	\$	
Ending Fund Balance	\$	-	\$	5,350,000	\$	-	\$	5,348,500
Components of Ending Fund Balance							-	
Required Reserve	\$		\$	3,000,000	\$		\$	3,000,000
Capitalized Interest	+ φ	-	Ψ	2,350,000	Ψ	-	Ψ	2,348,500
Total Components of Ending Fund Balance	\$		\$	5,350,000 5,350,000	\$		\$	5,348,500
Total Components of Ending Fund Balance	Ψ		Ι Φ	5,350,000	φ	=	Ι Φ	5,346,500
1	11		1		1		1	

SEVERANCE SOUTH METROPOLITAN DIS	TRICT NO. 4				-		
STATEMENT OF REVENUES & EXPENDITU	JRES WITH BU	JDGE	ETS				
CAPITAL PROJECTS FUND							
	(a)			(b)		(c)	(f)
	2021			2022		2022	 2023
	Unaudit	ed		Adopted		Projected	Adopted
Revenues	Actua			Budget		Actual	Budget
Proceeds from Note	\$	-	\$	_	\$	-	\$ _
Total Revenues	\$	-	\$	=	\$	-	\$ -
Expenditures							
Capital Outlay	\$	-	\$	28,650,000	\$	28,650,000	\$ 5,500,000
Capital Acceptance		-		100,000		100,000	100,000
Total Capital Expenditures	\$	-	\$	28,750,000	\$	28,750,000	\$ 5,600,000
Other Sources/(Uses) of Funds							
Bond Proceeds	\$	-	\$	35,000,000	\$	35,000,000	\$ 35,000,000
Costs of Issuance		-		(750,000)		(750,000)	(750,000)
Transfer to Debt Service Fund		-		(5,500,000)		(5,500,000)	(5,500,000)
Total Other Sources/(Uses) of Funds	\$	=	\$	28,750,000	\$	28,750,000	\$ 28,750,000
Revenues Over/(Under) Expenditures	\$	-	\$	<b>P</b>	\$	=	\$ 23,150,000
Beginning Fund Balance	\$	-	\$	-	\$	_	\$ -
Ending Fund Balance	\$	_	\$	-	\$	-	\$ 23,150,000

## SEVERANCE SOUTH METROPOLITAN DISTRICT NO. 4 2023 BUDGET MESSAGE

Severance South 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 2017. The District was established in the Town of Severance, Colorado consisting of approximately 601 acres. The District was organized to provide financing for the acquisition, construction and installation of public improvements including, but not limited to, potable and non-potable water, wastewater systems, storm drainage, streets and roadway landscaping; park and recreation improvements, security services, covenant enforcement and design review, and to provide the operation and maintenance of these improvements.

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

The budget is prepared on the modified accrual basis of accounting, which is consistent with the basis of accounting used in presenting the District's financial statements.

In preparing the 2023 budget, the following goals are foremost for the District:

• Provide the level of operational support necessary in order to maintain the District's compliance with state statute.

#### Revenues

The District certified 50.000 mills at an assessed value of \$277,100 for total property tax revenues of \$13,855. 10.000 mills are reserved for the General Fund as provided for in the intergovernmental agreement between Severance South Metropolitan Districts Nos. 1-4. 40.000 mills were certified for the Debt Service Fund for debt payments. In 2023, the District anticipated issuing \$35,000,000 in bonds for design and construction of public improvements.

#### **Expenses**

The District will transfer General Fund property tax income less county treasurer fees to District No. 1 in the amount of \$2,909. Debt Service expenses of \$150,000 are budgeted primarily for anticipated bond interest payments. \$11,850,000 in Capital Project Fund expenditures are budgeted for public infrastructure, bond issuance costs, and transfers to the Debt Service Fund for bond reserves.

#### Fund Balance/Reserves

TABOR reserves for Severance South Metropolitan District No. 4 will be held by Severance South Metropolitan District No. 1.

#### CERTIFICATION OF VALUATION BY WELD COUNTY ASSESSOR

Name of Jurisdiction: 1611 - SEVERANCE SOUTH MD 4

IN WELD COUNTY ON 11/28/2022

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATIONS (5.5% LIMIT) ONLY

New Entity: No

	IN ACCORDANCE WITH 39-5-121(2)(a) AND 39-5-128(1), C.R.S. AND NO LATER THAN AUGUST 25, THE ASS TOTALVALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2022 IN WELD COUNTY. COLORADO	ESSOR CERTIFIES THE					
1.	PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$1,095,570					
2.	CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: *	\$277,100					
3.	LESS TIF DISTRICT INCREMENT, IF ANY:	<u>\$0</u>					
4.	CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$277,100					
5.	NEW CONSTRUCTION: **	\$0					
6.	INCREASED PRODUCTION OF PRODUCING MINES: #	<u>\$0</u>					
7.	ANNEXATIONS/INCLUSIONS:	<u>\$0</u>					
8.	PREVIOUSLY EXEMPT FEDERAL PROPERTY: #	\$0					
9.	9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD ## \$0 CR LAND (29-1-301(1)(b) C.R.S.):						
10	. TAXES COLLECTED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1))(a) C.R.S.):	\$0.00					
11	. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a) C.R.S.) and (39-10-114(1)(a)(I)(B) C.R.S.):	\$0.00					
	This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec.20(8)(b),Colo.  New construction is defined as: Taxable real property structures and the personal property connected with the structure.						
	lurisdiction must submit respective certifications (Forms DLG 52 AND 52A) to the Division of Local Government in order for the valu it calculation.	es to be treated as growth in the					
##	Jurisdiction must apply (Forms DLG 52B) to the Division of Local Government before the value can be treated as growth in the limit	t calculation.					
	USE FOR 'TABOR' LOCAL GROWTH CALCULATIONS ONLY						
	ACCORDANCE WITH THE PROVISION OF ARTICLE X, SECTION 20, COLO CONST, AND 39-5-121(2)(b),C.R.S HE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2022 IN WELD COUNTY, COLORADO ON AUGU						
1.	CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: @	\$6,047					
	ADDITIONS TO TAXABLE REAL PROPERTY:						
2.	CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	<u>\$0</u>					
3.	ANNEXATIONS/INCLUSIONS:	\$0					

TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: 7. (If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.)

OIL OR GAS PRODUCTION FROM A NEW WELL:

8. **DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:** 

DISCONNECTIONS/EXCLUSION: 9. 10. PREVIOUSLY TAXABLE PROPERTY:

4.

5.

6.

! Construction is defined as newly constructed taxable real property structures.

**DELETIONS FROM TAXABLE REAL PROPERTY:** 

INCREASED MINING PRODUCTION: %

PREVIOUSLY EXEMPT PROPERTY:

<u>\$0</u> \$2,860,713 <u>\$0</u>

<u>\$0</u>

<u>\$0</u>

<u>\$0</u>

\$0

@ This includes the actual value of all taxable real property plus the actual value of religious, private schools, and charitable real property.

% Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH 39-5-128(1),C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES	
TO SCHOOL DISTRICTS: 1. TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY:	\$0
NOTE: All levies must be Certified to the Board of County Commissioners NO LATER THAN DECEM	IBER 15, 2022
IN ACCORDANCE WITH 39-5-128(1.5)C.R.S. THE ASSESSOR PROVIDES:	
HB21-1312 ASSESSED VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): **	
** The tax revenue lost due to this exempted value will be reimbursed to the tax entity by the County Treasurer	
in accordance with 39-3-119 f(3). C.R.S.	

Data Date: 11/28/2022