

RESOLUTION NO. 2019 - 11 - 3

A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE SILVER PEAKS EAST METROPOLITAN DISTRICT  
TO ADOPT THE 2020 BUDGET AND APPROPRIATE SUMS OF MONEY

WHEREAS, the Board of Directors of the Silver Peaks East Metropolitan District ("District") has appointed the District Accountant to prepare and submit a proposed 2020 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, 2019, 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 November 18, 2019, 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 inter-fund 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 Silver Peaks East Metropolitan District:

1. That the budget as submitted, amended, and summarized by fund, hereby is approved and adopted as the budget of the Silver Peaks East Metropolitan District for the 2020 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 18th day of November, 2019.

  
Secretary

EXHIBIT A  
(Budget)



CliftonLarsonAllen LLP  
www.CLAconnect.com

**CliftonLarsonAllen**

**Accountant's Compilation Report**

Board of Directors  
Silver Peaks East Metropolitan District

Management is responsible for the accompanying budget of revenues expenditures and fund balances of Silver Peaks East Metropolitan District for the year ending December 31, 2020, including the estimate of comparative information for the year ending December 31, 2019, and the actual comparative information for the year ended December 31, 2018 in the format prescribed by Colorado Revised Statutes (C.R.S.) 29-1-105 and the related summary of significant assumptions in accordance with guidelines for the presentation of a budget established by the American Institute of Certified Public Accountants (AICPA). We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the budget nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the accompanying budget.

The budgeted results may not be achieved as there will usually be differences between the budgeted and actual results, because events and circumstances frequently do not occur as expected, and these differences may be material. We assume no responsibility to update this report for events and circumstances occurring after the date of this report.

We draw attention to the Summary of Significant Assumptions which describe that the budget is presented in accordance with the requirements of C.R.S. 29-1-105, and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

We are not independent with respect to Silver Peaks East Metropolitan District.

*CliftonLarsonAllen LLP*

Greenwood Village, Colorado  
December 31, 2019

**SILVER PEAKS EAST METROPOLITIAN DISTRICT  
SUMMARY  
2020 BUDGET  
WITH 2018 ACTUAL AND 2019 ESTIMATED  
For the Years Ended and Ending December 31,**

12/31/19

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCES	\$ (1,059)	\$ (9,802)	\$ 100
REVENUES			
Property taxes	158	159	156
Specific ownership tax	12	10	11
Developer advance	12,625	209,733	75,000
Total revenues	<u>12,795</u>	<u>209,902</u>	<u>75,167</u>
Total funds available	<u>11,736</u>	<u>200,100</u>	<u>75,267</u>
EXPENDITURES			
General Fund	21,538	100,000	75,000
Capital Projects Fund	-	100,000	-
Total expenditures	<u>21,538</u>	<u>200,000</u>	<u>75,000</u>
Total expenditures and transfers out requiring appropriation	<u>21,538</u>	<u>200,000</u>	<u>75,000</u>
ENDING FUND BALANCES	<u>\$ (9,802)</u>	<u>\$ 100</u>	<u>\$ 267</u>
EMERGENCY RESERVE	<u>\$ -</u>	<u>\$ 100</u>	<u>\$ 100</u>
TOTAL RESERVE	<u>\$ -</u>	<u>\$ 100</u>	<u>\$ 100</u>

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**SILVER PEAKS EAST METROPOLITIAN DISTRICT  
PROPERTY TAX SUMMARY INFORMATION  
2020 BUDGET  
WITH 2018 ACTUAL AND 2019 ESTIMATED  
For the Years Ended and Ending December 31,**

12/31/19

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
Agricultural	\$ 2,390	\$ 2,390	\$ 2,330
Certified Assessed Value	\$ 2,390	\$ 2,390	\$ 2,330
<b>MILL LEVY</b>			
General	66.333	66.333	66.794
Total mill levy	66.333	66.333	66.794
<b>PROPERTY TAXES</b>			
General	\$ 159	\$ 159	\$ 156
Levied property taxes	159	159	156
Budgeted property taxes	\$ 159	\$ 159	\$ 156
<b>BUDGETED PROPERTY TAXES</b>			
General	\$ 159	\$ 159	\$ 156

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**SILVER PEAKS EAST METROPOLITIAN DISTRICT  
GENERAL FUND  
2020 BUDGET  
WITH 2018 ACTUAL AND 2019 ESTIMATED  
For the Years Ended and Ending December 31,**

12/31/19

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCE	\$ (1,059)	\$ (9,802)	\$ 100
<b>REVENUES</b>			
Property taxes	158	159	156
Specific ownership tax	12	10	11
Developer advance	12,625	109,733	75,000
Total revenues	12,795	109,902	75,167
Total funds available	11,736	100,100	75,267
<b>EXPENDITURES</b>			
General and administrative			
Accounting	10,244	15,000	15,000
County Treasurer's fee	2	2	2
Dues and licenses	-	559	600
District management	-	-	20,000
Election expense	-	-	1,000
Insurance and bonds	-	2,541	3,000
Legal services	10,842	50,000	29,000
Miscellaneous	450	5,000	6,398
Contingency	-	26,898	-
Total expenditures	21,538	100,000	75,000
Total expenditures and transfers out requiring appropriation	21,538	100,000	75,000
ENDING FUND BALANCE	\$ (9,802)	\$ 100	\$ 267
EMERGENCY RESERVE	\$ -	\$ 100	\$ 100
TOTAL RESERVE	\$ -	\$ 100	\$ 100

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**SILVER PEAKS EAST METROPOLITIAN DISTRICT  
CAPITAL PROJECTS FUND  
2020 BUDGET  
WITH 2018 ACTUAL AND 2019 ESTIMATED  
For the Years Ended and Ending December 31,**

12/31/19

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
REVENUES			
Developer advance	-	100,000	-
Total revenues	-	100,000	-
Total funds available	-	100,000	-
EXPENDITURES			
General and Administrative			
Legal services	-	25,804	-
Contingency	-	26,131	-
Capital Projects			
FRICO Agreement	-	43,000	-
FRICO Ditch Easement	-	5,065	-
Total expenditures	-	100,000	-
Total expenditures and transfers out requiring appropriation	-	100,000	-
ENDING FUND BALANCE	\$ -	\$ -	\$ -

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.



**SILVER PEAKS EAST METROPOLITAN DISTRICT  
2020 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

The District, a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized on December 1, 2016, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District's service area is located in Town of Lochbuie, Weld County, Colorado.

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, fire protection, television relay and translation, security services, incremental drilling and mosquito control improvements and services.

In the future, the District may issue a portion or all of the remaining authorized but unissued general obligation debt for purposes of providing public improvements to support development as it occurs within the District's service area, however, as of the date of this budget, the amount and timing of any debt issuances is not determinable.

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 Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. 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**

**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.

Under the consolidated Service Plan, the District is limited to the imposition of a mill levy in an amount not to exceed 60 mills; provided, however, that in the event the method of calculating assessed valuation is changed after the date of approval of the Service Plan, the mill levy limitation provided for the District will be automatically increased or decreased to reflect such changes, so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted, are neither diminished nor enhanced as a result of such changes. For purposes of the foregoing, a change in the ratio of actual valuation to assessed valuation shall be deemed to be a change in the method of calculating assessed valuation. On August 2, 2016, the date the Service Plan was approved, the ratio of actual valuation to assessed valuation was 7.96% and currently the ratio is at 7.15%. Due to this ratio change, the District's mill levy was increased to 66.794 mills.

**SILVER PEAKS EAST METROPOLITAN DISTRICT  
2020 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues (continued)**

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

**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.

**Net Investment Income**

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 1.0%.

**Developer advance**

The District is in the development stage. As such, the operating and administrative expenditures will be funded by the Developer, as well as the capital expenditures until bonds are issued. 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.

**Expenditures**

**County Treasurer's Fees**

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

**General and administration**

General and administration expenditures have been provided based on estimates of the District's Board of Directors and consultants and include the services necessary to maintain the District's administrative viability such as legal, accounting, managerial, insurance, meeting expense, and other administrative

**Reserves**

**Emergency Reserve**

The District has provided for an emergency reserve fund equal to at least 3% of fiscal year spending for 2020 as defined under TABOR.

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

I, Judy Leyshon, hereby certify that I am the duly appointed Secretary of the Silver Peaks East Metropolitan District, and that the foregoing is a true and correct copy of the budget for the budget year 2020, duly adopted at a meeting of the Board of Directors of the Silver Peaks East Metropolitan District held on November 18, 2019.

By: Judy Leyshon  
Secretary

RESOLUTION NO. 2019 - 11 - 4

A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE SILVER PEAKS EAST METROPOLITAN DISTRICT  
TO SET MILL LEVIES

WHEREAS, the Board of Directors of the Silver Peaks East Metropolitan District ("District") has adopted the 2020 annual budget in accordance with the Local Government Budget Law on November 18, 2019; and

WHEREAS, the adopted budget is attached to the Resolution of the Board of Directors to Adopt the 2020 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 Silver Peaks East Metropolitan District:

1. That for the purposes of meeting all general fund expenses of the District during the 2020 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 2020 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 District Accountant of the District is hereby authorized and directed to immediately certify to the County Commissioners of Weld 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 18th day of November, 2019.

  
Secretary

**EXHIBIT A**  
(Certification of Tax Levies)

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners<sup>1</sup> of Weld County, Colorado.

On behalf of the Silver Peaks East Metropolitan District (taxing entity)<sup>A</sup>

the Board of Directors (governing body)<sup>B</sup>

of the Silver Peaks East Metropolitan District (local government)<sup>C</sup>

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 2,330 assessed valuation of: (GROSS<sup>D</sup> assessed valuation, Line 2 of the Certification of Valuation Form DLG 57<sup>E</sup>)

Note: 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: \$ 2,330 (NET<sup>G</sup> 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: 11/27/2019 for budget/fiscal year 2020 (no later than Dec. 15) (mm/dd/yyyy) (yyyy)

Table with 3 columns: PURPOSE (see end notes for definitions and examples), LEVY<sup>2</sup>, and REVENUE<sup>2</sup>. Rows include General Operating Expenses, Temporary General Property Tax Credit/Temporary Mill Levy Rate Reduction, and various bond and obligation categories. Total: 66.794 mills, \$156.

Contact person: Jason Carroll Daytime phone: (303) 779-5710 Signed: [Signature] 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.

<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 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<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: \_\_\_\_\_

**CONTRACTS<sup>K</sup>:**

- 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.