

SILVER PEAKS EAST METROPOLITAN DISTRICT
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2026

**SILVER PEAKS EAST METROPOLITAN DISTRICT
SUMMARY
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,**

1/22/26

| | ACTUAL 2024 | ESTIMATED 2025 | BUDGET 2026 |
|---|----------------|-------------------|----------------|
| BEGINNING FUND BALANCES | \$ 7,572 | \$ 11,367 | \$ (7,991) |
| REVENUES | | | |
| Property taxes | 193,836 | 349,469 | 364,437 |
| Specific Ownership Taxes | 6,981 | 13,979 | 14,578 |
| Operations and Maintenance Fee | 81,816 | - | - |
| Interest Income | 335 | 255 | 225 |
| Developer Advance | 20,521 | - | - |
| Other Revenue | - | - | 8,000 |
| Total revenues | 303,489 | 363,703 | 387,240 |
| TRANSFERS IN | 48,237 | - | - |
| Total funds available | 359,298 | 375,070 | 379,249 |
| EXPENDITURES | | | |
| General Fund | 57,371 | 73,217 | 62,100 |
| Debt Service Fund | 162,423 | 309,844 | 316,071 |
| Special Revenue Fund | 79,900 | - | - |
| Total expenditures | 299,694 | 383,061 | 378,171 |
| TRANSFERS OUT | 48,237 | - | - |
| Total expenditures and transfers out requiring appropriation | 347,931 | 383,061 | 378,171 |
| ENDING FUND BALANCES | \$ 11,367 | \$ (7,991) | \$ 1,078 |
| EMERGENCY RESERVE | \$ 1,100 | \$ 1,900 | \$ 2,200 |
| AVAILABLE FOR OPERATIONS | 3,546 | (9,891) | (1,122) |
| TOTAL RESERVE | \$ 4,646 | \$ (7,991) | \$ 1,078 |

See summary of significant assumptions.

**SILVER PEAKS EAST METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,**

1/22/26

| ACTUAL | ESTIMATED | BUDGET |
|--------|-----------|--------|
| 2024 | 2025 | 2026 |

ASSESSED VALUATION

| | | | |
|--------------------------|---------------------|---------------------|---------------------|
| Residential | \$ 1,761,990 | \$ 4,206,620 | \$ 4,592,980 |
| Commercial | 9,960 | 9,170 | 8,810 |
| State assessed | 6,810 | 7,560 | 10,900 |
| Vacant land | 736,560 | 155,160 | 104,000 |
| Personal property | 46,750 | 50,750 | 85,160 |
| Certified Assessed Value | <u>\$ 2,562,070</u> | <u>\$ 4,429,260</u> | <u>\$ 4,801,850</u> |

MILL LEVY

| | | | |
|-----------------|---------------|---------------|---------------|
| General | 12.544 | 13.150 | 12.649 |
| Debt Service | 62.721 | 65.750 | 63.246 |
| Total mill levy | <u>75.265</u> | <u>78.900</u> | <u>75.895</u> |

PROPERTY TAXES

| | | | |
|--------------------------------|-------------------|-------------------|-------------------|
| General | \$ 32,139 | \$ 58,245 | \$ 60,739 |
| Debt Service | 160,696 | 291,224 | 303,698 |
| Levied property taxes | <u>192,835</u> | <u>349,469</u> | <u>364,437</u> |
| Adjustments to actual/rounding | 1,001 | - | - |
| Budgeted property taxes | <u>\$ 193,836</u> | <u>\$ 349,469</u> | <u>\$ 364,437</u> |

BUDGETED PROPERTY TAXES

| | | | |
|--------------|-------------------|-------------------|-------------------|
| General | \$ 32,306 | \$ 58,245 | \$ 60,739 |
| Debt Service | 161,530 | 291,224 | 303,698 |
| | <u>\$ 193,836</u> | <u>\$ 349,469</u> | <u>\$ 364,437</u> |

**SILVER PEAKS EAST METROPOLITAN DISTRICT
GENERAL FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,**

1/22/26

| | ACTUAL 2024 | ESTIMATED 2025 | BUDGET 2026 |
|----------------------------|----------------|-------------------|----------------|
| BEGINNING FUND BALANCES | \$ (40,211) | \$ 4,646 | \$ (7,991) |
| REVENUES | | | |
| Property taxes | 32,306 | 58,245 | 60,739 |
| Specific Ownership Taxes | 1,164 | 2,330 | 2,430 |
| Interest Income | - | 5 | - |
| Developer Advance | 20,521 | - | - |
| Other Revenue | - | - | 8,000 |
| Total revenues | 53,991 | 60,580 | 71,169 |
| TRANSFERS IN | | | |
| Transfers from other funds | 48,237 | - | - |
| Total funds available | 62,017 | 65,226 | 63,178 |
| EXPENDITURES | | | |
| General and administrative | | | |
| Accounting | 30,492 | 25,000 | 18,000 |
| Auditing | 6,600 | 6,800 | 6,800 |
| County Treasurer's Fee | 485 | 874 | 911 |
| Dues and Membership | 307 | 334 | 400 |
| Insurance | 3,214 | 3,191 | 3,500 |
| District Management | - | 13,000 | 9,000 |
| FRICO Agreement | - | 13,262 | 14,000 |
| Legal | 15,888 | 9,000 | 9,000 |
| Miscellaneous | - | 100 | - |
| Election | - | 156 | - |
| Contingency | - | - | 489 |
| Operations and maintenance | | | |
| Engineering | 385 | 1,500 | - |
| Total expenditures | 57,371 | 73,217 | 62,100 |
| ENDING FUND BALANCES | \$ 4,646 | \$ (7,991) | \$ 1,078 |
| EMERGENCY RESERVE | \$ 1,100 | \$ 1,900 | \$ 2,200 |
| AVAILABLE FOR OPERATIONS | 3,546 | (9,891) | (1,122) |
| TOTAL RESERVE | \$ 4,646 | \$ (7,991) | \$ 1,078 |

See summary of significant assumptions.

**SILVER PEAKS EAST METROPOLITAN DISTRICT
DEBT SERVICE FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,**

1/22/26

| | ACTUAL 2024 | ESTIMATED 2025 | BUDGET 2026 |
|----------------------------|----------------|-------------------|----------------|
| BEGINNING FUND BALANCES | \$ 1,462 | \$ 6,721 | \$ - |
| REVENUES | | | |
| Property taxes | 161,530 | 291,224 | 303,698 |
| Specific Ownership Taxes | 5,817 | 11,649 | 12,148 |
| Interest Income | 335 | 250 | 225 |
| Total revenues | 167,682 | 303,123 | 316,071 |
| Total funds available | 169,144 | 309,844 | 316,071 |
| EXPENDITURES | | | |
| General and administrative | | | |
| County Treasurer's Fee | 2,423 | 4,368 | 4,555 |
| Paying Agent Fees | 4,000 | 4,000 | 4,000 |
| Debt Service | | | |
| Bond Interest | 156,000 | 301,476 | 307,516 |
| Total expenditures | 162,423 | 309,844 | 316,071 |
| ENDING FUND BALANCES | \$ 6,721 | \$ - | \$ - |

See summary of significant assumptions.

**SILVER PEAKS EAST METROPOLITAN DISTRICT
SPECIAL REVENUE FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,**

1/22/26

| | ACTUAL 2024 | ESTIMATED 2025 | BUDGET 2026 |
|---|----------------|-------------------|----------------|
| BEGINNING FUND BALANCES | \$ 46,321 | \$ - | \$ - |
| REVENUES | | | |
| Operations and Maintenance Fee | 81,816 | - | - |
| Total revenues | 81,816 | - | - |
| Total funds available | 128,137 | - | - |
| EXPENDITURES | | | |
| General and administrative | | | |
| District Management | 20,900 | - | - |
| Operations and maintenance | | | |
| Landscaping | 7,444 | - | - |
| FRICO Agreement | 12,779 | - | - |
| Snow Removal | 1,907 | - | - |
| Water | 19,186 | - | - |
| Gas and Electric | 600 | - | - |
| Repairs and Maintenance | 17,084 | - | - |
| Total expenditures | 79,900 | - | - |
| TRANSFERS OUT | | | |
| Transfers to other fund | 48,237 | - | - |
| Total expenditures and transfers out requiring appropriation | 128,137 | - | - |
| ENDING FUND BALANCES | \$ - | \$ - | \$ - |

See summary of significant assumptions.

**SILVER PEAKS EAST METROPOLITAN DISTRICT
2026 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.

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.

**SILVER PEAKS EAST METROPOLITAN DISTRICT
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (Continued)

Property Taxes (Continued)

For property tax collection year 2026, HB24B-1001 set the assessment rates as follows:

| Category | Rate | Category | Rate |
|---------------------------|-------------|-----------------------|-------------|
| Single-Family Residential | 6.25% | Agricultural Land | 27.00% |
| Multi-Family Residential | 6.25% | Renewable Energy Land | 27.00% |
| Commercial | 27.00% | Vacant Land | 27.00% |
| Industrial | 27.00% | Personal Property | 27.00% |
| Lodging | 27.00% | State Assessed | 27.00% |
| | | 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 funded in part 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.

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 expenses.

Debt Service

There is no debt amortization schedule provided for the Series 2021(3) Bonds (Described under Debt and Leases) as the Bonds are cash flow bonds and the timing of the payments are unknown.

**SILVER PEAKS EAST METROPOLITAN DISTRICT
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases

Series 2021(3) Bonds

On July 28th, 2021, the District issued General Obligation Limited Tax Cash Flow Bonds, Series 2021(3) ("2021 Bonds"), in the par amount of \$5,410,000, with a fixed interest rate of 5.000%, maturing on December 1, 2051. The 2021 Bonds are secured by Pledged Revenue from the required Mill Levy. Proceeds from the sale of the Bonds were used to (a) finance or reimburse a portion of the costs of acquiring, constructing, and installing certain public improvements to serve the development; and (b) pay the costs of issuing the Bonds.

Bond Details

The Bonds bear interest at the rate of 5.000% per annum and are payable annually on December 1, beginning on December 1, 2021, but only to the extent of available Pledged Revenue. The Bonds mature on December 1, 2051 and are subject to mandatory redemption to the extent of available Pledged Revenue.

The Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest. Unpaid interest on the Bonds compounds annually on each December 1. In the event any amounts due and owing on the Bonds remain outstanding on December 2, 2061, such amounts shall be extinguished and no longer due and outstanding.

Optional Redemption

The Bonds are subject to redemption prior to maturity, at the option of the District, on September 1, 2026, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium equal to a percentage of the principal amount so redeemed as follows:

| <u>Date of Redemption</u> | <u>Redemption Premium</u> |
|---------------------------------------|---------------------------|
| September 1, 2026, to August 31, 2027 | 3.00% |
| September 1, 2027, to August 31, 2028 | 2.00 |
| September 1, 2028, to August 31, 2029 | 1.00 |
| September 1, 2029, and thereafter | 0.00 |

**SILVER PEAKS EAST METROPOLITAN DISTRICT
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases (continued)

Pledged Revenue

The Bonds are secured by and payable solely from and to the extent of Pledged Revenue, which means the moneys derived by the District from the following sources:

- (a) the Required Mill Levy;
- (b) the portion of the Specific Ownership Tax which is collected as a result of 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.

Required Mill Levy

The District is required to impose an ad valorem mill levy upon all taxable property of the District each year in the amount of 50.000 mills (subject to adjustment for changes occurring after January 1, 2015, in the method of calculating assessed valuation), less the number of mills necessary to pay any unlimited mill levy debt, or such lesser mill levy which will fund the Bond Fund in an amount sufficient to pay all of the principal of and interest on the Bonds in full. The Required Mill Levy is net of the collection costs of the County and any tax refunds or abatements authorized by or on behalf of the County

The District has no operating or capital leases.

Reserves

Emergency Reserve

The District has provided for an emergency reserve fund equal to at least 3% of fiscal year spending for 2026 as defined under TABOR.

This information is an integral part of the accompanying budget.