

BUDGET RESOLUTION (2022)

CERTIFIED COPY OF RESOLUTION

STATE OF COLORADO)
) ss.
COUNTY OF JEFFERSON)

At the regular meeting of the Board of Directors of Fossil Ridge Metropolitan District No. 1, County of Jefferson, Colorado, held at 6:30 PM on December 6, 2021 as a virtual Zoom meeting, the following members of the Board were present:

- Tom Waterman – President
- Craig Brown - V.P.
- Mike McCleary -Treasurer
- Dave McGraw -Secretary
- Terry Larson - Asst. Sec.

Also present were:

- Sue Blair and Marcos Pacheco, District Managers; Community Resource Services
- Mat Birkeness, Community Managers; Community Resource Services
- Nancy Weiss, District Accountant; Community Resource Services
- Numerous residents of the District as reflected in the minutes of the meeting

The meeting was open to the public. The District Manager reported that, prior to the meeting, each of the Directors were notified of the date, time and place of this meeting and the purpose for which it was called. The District Manager further reported that this is a regular meeting of the Board of Directors of the District and that a notice of the meeting was posted in accordance with statute.

Thereupon, Director McCleary introduced and moved the adoption of the following Resolution:

RESOLUTION

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND, ADOPTING A BUDGET, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE FOSSIL RIDGE METROPOLITAN DISTRICT NO. 1, 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 (the "Board") of the Fossil Ridge Metropolitan District No. 1 (the "District") has authorized its consultants, Finance Committee and Treasurer to prepare and submit a proposed budget to said governing body no later than October 15, 2021; and

WHEREAS, the proposed 2022 budget has been submitted to the Board for its consideration; and

WHEREAS, upon due and proper notice, posted in accordance with Colorado law and published on November 10, 2021 in The Golden Transcript, said proposed budget was open for inspection by the public at a designated place, a public hearing was held at 6:30 PM on December 6, 2021, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, the budget being adopted by the Board has been prepared based on the best information available to the Board regarding the effects of Article X, Section 20 of the Colorado Constitution; 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, were made as required by law.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE FOSSIL RIDGE METROPOLITAN DISTRICT NO. 1, JEFFERSON COUNTY, COLORADO, AS FOLLOWS:

Section 1. Summary of 2022 Revenues and 2022 Expenditures. That the estimated revenues and expenditures for each fund for fiscal year 2022, as more specifically set forth in the budget attached hereto, are accepted and approved.

Section 2. Adoption of Budget. That the budget as submitted, or as amended, and attached hereto and incorporated herein is approved and adopted as the budget of the District for fiscal year 2022.

Section 3. 2022 Levy of General Property Taxes. That the foregoing budget indicates that the amount of money from property tax revenue necessary to balance the budget for the General Fund for operating expenses is \$0, and that the 2021 valuation for assessment, as certified by the Jefferson County Assessor, is \$3,101,299. That for the purposes of meeting all general operating expenses of the District during the 2022 budget year, there is hereby levied a tax of 0 mills upon each dollar of the total valuation of assessment of all taxable property within the District during the year 2021.

Section 4. 2022 Levy of Debt Retirement Expenses. That the foregoing budget indicates that the amount of money from property tax revenue necessary to balance the budget for the Debt Service Fund for debt retirement expense is \$0 and that the 2022 valuation for assessment, as certified by the Jefferson County Assessor, is \$3,101,299. That for the purposes of meeting all debt retirement expenses of the District during the 2022 budget year, there is hereby levied a tax of 0 mills upon each dollar of the total valuation of assessment of all taxable property within the District during the year 2021.

Section 5. Certification to Board of County Commissioners. That the manager for the District is hereby authorized and directed to certify to the Jefferson County Board of County Commissioners, no later than December 15, 2021, the mill levies for the District hereinabove determined and set. That said certification shall be substantially in the same form as attached hereto and incorporated herein by this reference.

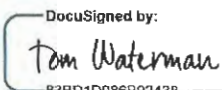
Section 6. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

Section 7. Budget Certification. That the budget shall be certified by the Treasurer of the District, and made a part of the public records of the District.

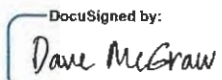
The foregoing Resolution was seconded by Director McGraw.

RESOLUTION APPROVED AND ADOPTED ON DECEMBER 6, 2021.

FOSSIL RIDGE METROPOLITAN DISTRICT NO. 1

By: 
838B1D986B02438
Lloyd T. Waterman, President

ATTEST:


878D5A089B4C4E0
Dave McGraw, Secretary

STATE OF COLORADO
COUNTY OF JEFFERSON
FOSSIL RIDGE METROPOLITAN DISTRICT NO. 1

I, Mike McCleary, hereby certify that I am a director and the duly elected and qualified Treasurer of Fossil Ridge Metropolitan District No. 1 (the "District"), and that the foregoing constitutes 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 of Directors of the District held on December 6, 2021, at 6:30 PM, said meeting held as a virtual Zoom meeting, as recorded in the official record of the proceedings of the District, insofar as said proceedings relate to the budget hearing for fiscal year 2022; 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. I hereby certify that the attached 2022 Budget is the official budget adopted by the Board at said meeting.

Subscribed and sworn to this 6th day of December, 2021.

DocuSigned by:
Mike McCleary
EFC8B8AB10544C1...
Mike McCleary, Treasurer

EXHIBIT A
2022 BUDGET DOCUMENT & BUDGET MESSAGE FOR
FOSSIL RIDGE METROPOLITAN DISTRICT NO. 1

FOSSIL RIDGE METROPOLITAN DISTRICT NO. 1
GENERAL FUND
2022 ADOPTED BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED AMOUNTS
FOR THE YEARS ENDED AND ENDING DECEMBER 31,

	2020 Actual	2021 Estimated	2022 Adopted
REVENUES			
Homeowner assessments	\$ 1,626,790	\$ 1,652,000	\$ 1,680,000
Sewer service fees - homeowner	208,533	215,000	240,000
Sewer operations fee - homeowner	99,872	110,000	110,000
Sewer administration fee	28,254	7,100	-
Maintenance fees No. 1	6,208	-	-
Maintenance fees No. 3	35,224	-	-
Amenity user fees	3,058	37,000	53,000
Late and legal fee income	13,619	-	15,000
Miscellaneous income and interest	29,545	30,000	10,000
Transfer from District No. 2	140,223	140,500	146,946
Transfer from District No. 3	227,917	240,000	250,622
Total revenues	2,419,243	2,431,600	2,505,568
EXPENDITURES			
<u>General</u>			
Accounting (CRS)	93,929	100,000	110,000
Audit preparation (CRS)	12,338	13,700	20,000
Audit - Haynie	6,000	6,200	6,400
District management (CRS)	62,204	37,000	60,000
Election	26,052	-	20,000
Legal - general	58,387	20,000	75,000
Legal - litigation	35,467	50,000	100,000
Dues	-	1,825	1,400
Insurance (No. 1, 2, & 3)	35,059	38,500	40,000
District office or General administration	2,647	9,500	10,000
Property management expenses	56,698	84,000	69,600
Website	2,182	4,000	5,000
Refunds to homeowners	7,082	1,000	6,500
Miscellaneous	11,351	1,000	200,000
Total general expenses	409,396	366,725	723,900
<u>Grounds</u>			
Snow removal	59,843	55,000	60,000
Snow removal - Brookfield	4,250	-	-
Pest control	2,447	3,000	3,000
Landscape	224	-	-
Landscape contract	245,468	150,000	202,000
Irrigation repairs	39,845	34,000	40,000
Trees/Shrubs/Turf Maintenance	-	135,000	122,000
Tree and shrub replacement	105,655	-	-
Replacement of turf grass and native seed	57,313	-	-
Playground maintenance and mulch	4,895	1,000	5,000
Flowers	5,000	6,000	6,000
Backflow testing	1,055	1,100	2,000
Lighting and electrical repairs	180	1,000	1,000
Signs	3,684	1,000	10,000
Fence repairs	-	500	2,500
Mailbox repairs and replacement	475	1,500	8,000
Total ground expenses	530,334	389,100	461,500
<u>Maintenance fees</u>	51,260	-	-
<u>Retreat expenses</u>			
COVID-19 Expenses	358	1,000	2,500
Trash removal	1,910	2,500	2,700
Telephone and Internet	3,896	6,000	4,500
Security system and fire monitoring	2,087	4,000	2,700
Retreat and pool management	70,332	63,800	69,600

General

FOSSIL RIDGE METROPOLITAN DISTRICT NO. 1
GENERAL FUND
2022 ADOPTED BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED AMOUNTS
FOR THE YEARS ENDED AND ENDING DECEMBER 31,

	2020 Actual	2021 Estimated	2022 Adopted
Retreat maintenance	9,449	20,000	10,000
Retreat supplies	1,488	1,500	2,500
Retreat - staff - office	3,725	24,000	30,000
Retreat - staff - events	14,603	13,000	28,000
Retreat fitness instructor	1,899	2,500	5,000
Retreat furniture	3,622	300	1,500
Pool contract	87,020	92,000	83,080
Pool maintenance	10,630	3,500	3,500
Pool chemicals and supplies	8,987	12,000	8,000
Pool furniture	8,636	900	2,500
Janitorial	10,015	2,000	10,000
Janitorial - event cleaning	-	8,700	10,000
Seasonal decorations	3,377	5,000	5,000
Amenity user expense	150	-	15,000
Social events	3,860	4,000	12,300
Total retreat expenses	<u>246,044</u>	<u>266,700</u>	<u>308,380</u>
<u>Sewer operations</u>			
Sewer service fees - homeowner	205,207	190,000	240,000
Sewer operation fees - homeowner	101,838	100,000	110,000
Sewer administration fee	31,718	7,000	-
Sewer maintenance and cleaning	95,272	-	-
Total sewer operations	<u>434,035</u>	<u>297,000</u>	<u>350,000</u>
<u>Utilities</u>			
Water	181,706	160,000	190,000
Sewer fees-recreation center	7,841	4,200	8,000
Gas and electric	17,138	20,000	30,000
Total utilities	<u>206,685</u>	<u>184,200</u>	<u>228,000</u>
<u>Emergency reserve (3%)</u>	-	-	75,200
Total expenditures	<u>1,877,754</u>	<u>1,503,725</u>	<u>2,146,980</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>541,489</u>	<u>927,875</u>	<u>358,588</u>
OTHER FINANCING USES			
Transfer to Debt Service Fund	(59,661)	-	-
Transfer to Capital Projects Fund	(374,400)	-	(200,000)
Transfer to Reserve Study Fund	-	(374,400)	(402,075)
Transfer to Special Revenue Fund	-	(140,000)	-
Total other financing uses	<u>(434,061)</u>	<u>(514,400)</u>	<u>(602,075)</u>
NET CHANGE IN FUND BALANCE	107,428	413,475	(243,487)
BEGINNING FUND BALANCE	<u>483,391</u>	<u>590,819</u>	<u>1,004,294</u>
ENDING FUND BALANCE	<u>\$ 590,819</u>	<u>\$ 1,004,294</u>	<u>\$ 760,807</u>

**FOSSIL RIDGE METROPOLITAN DISTRICT NO. 1
SPECIAL REVENUE FUND
2022 ADOPTED BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED AMOUNTS
FOR THE YEARS ENDED AND ENDING DECEMBER 31,**

	2020 Actual	2021 Estimated	2022 Adopted
REVENUES			
Private Access Area No. 1 (13)	\$ -	\$ 5,200	\$ 7,800
Townhome Area No. 3 - 15 (43)	-	12,900	12,900
Townhome Area No. 3 - 16N (29)	-	12,760	12,760
Townhome Area No. 3 - 16S Fee (42)	-	25,200	25,200
Total revenues	<u>-</u>	<u>56,060</u>	<u>58,660</u>
EXPENDITURES			
Private Access Area No. 1 (13)	-	5,200	7,800
Townhome Area No. 3 - 15 (43)	-	12,900	12,900
Townhome Area No. 3 - 16N (29)	-	12,760	12,760
Townhome Area No. 3 - 16S Fee (42)	-	25,200	25,200
Total expenditures	<u>-</u>	<u>56,060</u>	<u>58,660</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES			
Transfer from General Fund	-	140,000	-
Total other financing sources	<u>-</u>	<u>140,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	140,000	-
BEGINNING FUND BALANCE	<u>-</u>	<u>-</u>	<u>140,000</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ 140,000</u>	<u>\$ 140,000</u>

**FOSSIL RIDGE METROPOLITAN DISTRICT NO. 1
RESERVE STUDY FUND
2022 ADOPTED BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED AMOUNTS
FOR THE YEARS ENDED AND ENDING DECEMBER 31,**

	2020 Actual	2021 Estimated	2022 Proposed
REVENUES			
Total revenues	\$ -	\$ -	\$ -
EXPENDITURES			
Reserve expenses - Retreat furniture, concrete and doors	-	55,000	-
Reserve expenses - Pool	-	-	40,500
Reserve expenses - Retreat doors	-	-	68,000
Reserve expenses - Common area	-	-	55,000
Total expenditures	-	55,000	163,500
EXCESS OF EXPENDITURES OVER REVENUES	-	(55,000)	250,622
OTHER FINANCING SOURCES			
Transfer from General Fund	-	374,400	402,075
Transfer from Capital Projects Fund	-	613,532	-
Total other financing sources	-	987,932	402,075
NET CHANGE IN FUND BALANCE	-	932,932	652,697
BEGINNING FUND BALANCE	-	-	932,932
ENDING FUND BALANCE	\$ -	\$ 932,932	\$ 1,585,629

FOSSIL RIDGE METROPOLITAN DISTRICT NO. 1
CAPITAL PROJECTS FUND
2022 ADOPTED BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED AMOUNTS
FOR THE YEARS ENDED AND ENDING DECEMBER 31,

	2020	2021	2022
	Actual	Estimated	Adopted
REVENUES			
Developer advances	\$ 35,173	\$ -	\$ -
Development fees (x SFHs @ SFH fee)	84,400	301,000	118,500
Development fees (x THs @ TH fee)	-	173,000	70,800
Storm drainage fees (x SFHs @ SFH fee)	12,000	40,000	15,000
Storm drainage fees (x THs @ TH fee)	-	23,000	12,000
Admin set up fees	3,132	16,500	7,047
Interest	855	50	200
Miscellaneous	103,230	-	500
Total revenues	<u>238,790</u>	<u>553,550</u>	<u>224,047</u>
			250,622
EXPENDITURES			
Reserve expenses - pool deck project	23,950	-	-
Reserve expenses - roof repair	5,380	-	-
Reserve expenses - floor maintenance	5,811	-	-
Reserve expenses - painting at Retreat	14,790	-	-
Reserve expenses - Pergola repair	8,795	-	-
Trees and shrubs	-	-	210,000
District engineer	45,030	34,000	100,000
Capital expenditures	12,497	-	50,000
Total expenditures	<u>116,253</u>	<u>34,000</u>	<u>360,000</u>
EXCESS OF EXPENDITURES OVER REVENUES	<u>122,537</u>	<u>519,550</u>	<u>(135,953)</u>
OTHER FINANCING SOURCES (USES)			
Transfer from General Fund	374,400	-	200,000
Transfer to Reserve Study Fund	-	(613,532)	-
Total other financing sources (uses)	<u>374,400</u>	<u>(613,532)</u>	<u>200,000</u>
NET CHANGE IN FUND BALANCE	496,937	(93,982)	64,047
BEGINNING FUND BALANCE	<u>657,862</u>	<u>1,154,799</u>	<u>1,060,817</u>
ENDING FUND BALANCE	<u>\$ 1,154,799</u>	<u>\$ 1,060,817</u>	<u>\$ 1,124,864</u>

Capital

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of JEFFERSON COUNTY, Colorado.

On behalf of the FOSSIL RIDGE METROPOLITAN DISTRICT NO. 1,
(taxing entity)^A

the BOARD OF DIRECTORS
(governing body)^B

of the FOSSIL RIDGE METROPOLITAN DISTRICT NO. 1
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 3,101,299 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F 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: (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57) USE VALUE FROM FINAL CERTIFICATIN OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/11/2021 for budget/fiscal year 2022
(not later than Dec. 15) (dd/mm/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	<u>0.000</u> mills	\$ <u>0</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	0.000 mills	\$ 0
3. General Obligation Bonds and Interest ^J	_____ mills	\$ _____
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	0.000 mills	\$ 0

Contact person: (print) Sue Blair, CRS of Colorado, LLC Daytime phone: 303-381-4960
Signed:  Title: District Manager

¹ 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.
² 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).
Page 1 of 4 DLG 70 (Rev. 6/16)

FOSSIL RIDGE METROPOLITAN DISTRICT NO. 1 2022 BUDGET MESSAGE

The Fossil Ridge Metropolitan District No. 1 was organized October 10, 2006, as a quasi-municipal corporation and political subdivision of the State of Colorado pursuant to the Colorado Special District Act. At the time of formation, the Fossil Ridge Metropolitan District No. 2 (District No. 2) and the Fossil Ridge Metropolitan District No. 3 (District No. 3) were also organized. All three districts are governed by the same Service Plan (as amended by the Second Amended and Restated Service Plan approved by the City of Lakewood on August 27, 2007), which provides that the District is the “Operating District” and District No. 2 and District No. 3 are the “Taxing Districts”. The Taxing Districts are to provide funding to the Operating District for the construction, operation and maintenance of various public improvements and the Operating District is expected to manage such construction, operation and maintenance. The Operating District’s primary revenues are homeowner assessments, various fees, developer advances and transfers from the Taxing Districts. The District is governed by an elected Board of Directors.

The District utilizes the modified accrual basis of accounting, and the budget has been adopted after proper postings, publications and the conduct of a public hearing to adopt the 2022 budget and appropriate 2022 expenditures.

The District’s total assessed valuation for tax year 2022 is \$3,101,299. The primary sources of revenue for the District in 2022 will be homeowner assessments, development fees, storm drainage and sewer fees, sewer service fees and a transfer of property taxes from Fossil Ridge Metropolitan District Nos. 2 and 3. For tax year 2022 the District adopted a zero mill levy.