

RESOLUTION NO. 2023-11-09

**RESOLUTION
ADOPTING BUDGET, APPROPRIATING FUNDS AND CERTIFYING MILL LEVIES
FOR THE CALENDAR YEAR 2024**

The Board of Directors of Dawson Trails Metropolitan District No. 7 (the “**Board**”), Town of Castle Rock, Douglas County, Colorado (the “**District**”), held a special meeting, via teleconference on November 14, 2023, at the hour of 10:30 a.m.

Prior to the meeting, each of the directors was notified of the date, time, and place of the budget meeting and the purpose for which it was called, and a notice of the meeting was posted or published in accordance with § 29-1-106, C.R.S.

[Remainder of Page Intentionally Left Blank]

NOTICE AS TO PROPOSED 2024 BUDGET

DAWSON TRAILS METROPOLITAN DISTRICT NOS. 1-7

**NOTICE CONCERNING 2023 BUDGET AMENDMENT
AND PROPOSED 2024 BUDGET**

NOTICE IS HEREBY GIVEN that the Boards of Directors (the “**Boards**”) of the DAWSON TRAILS METROPOLITAN DISTRICT NOS. 1-7 (the “**Districts**”), the meetings will be held via Zoom on Tuesday November 14, 2023, at 10:30 A.M. for the purpose of conducting such business as may come before the Boards including a public hearing on the 2024 proposed Budgets (the “**Proposed Budgets**”). The necessity may also arise for an Amendment to the 2023 Budgets (the “**Amended Budgets**”). This meeting can be joined using the following teleconference information:

<https://us06web.zoom.us/j/88644051453?pwd=1zH4XRxf18mtBowVAZi98PAmaVnI4m.1>

Meeting ID: 886 4405 1453

Passcode: 497288

Phone: 1-719-359-4580

NOTICE IS FURTHER GIVEN that the Proposed Budgets and Amended Budgets (if applicable) have been submitted to the Districts. A copy of the Proposed Budgets and Amended Budgets are on file at the District's office, 405 Urban Street, Suite 310, Lakewood, Colorado, where the same are open for public inspection.

Any interested elector of the Districts may file any objections to the Proposed Budgets and Amended Budgets at any time prior to final adoption of the Proposed Budgets or the Amended Budgets by the Boards.

DAWSON TRAILS METROPOLITAN
DISTRICT NOS. 1-7

By /s/ AJ Beckman
District Manager

Publish in: Douglas County News Press
Publish on: November 9, 2023 (one time only)

WHEREAS, the Board has designated its accountant to prepare and submit a proposed budget to the Board in accordance with Colorado law; and

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

WHEREAS, upon due and proper notice, provided in accordance with Colorado law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held and interested electors were given the opportunity to register their protest to the proposed budget prior to the adoption of the budget by the Board.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

Section 1. Adoption of Budget. The budget attached hereto and incorporated herein is approved and adopted as the budget of the District for fiscal year 2024. In the event of recertification of values by the County Assessor's Office after the date of adoption hereof, staff is hereby directed to modify and/or adjust the budget and certification to reflect the recertification without the need for additional Board authorization. Any such modification to the budget or certification as contemplated by this Section 1 shall be deemed ratified by the Board.

Section 2. Levy for General Operating Expenses. For the purpose of meeting all general operating expenses of the District during the 2024 budget year, there is hereby levied a tax of 74.044 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 3. Levy for Debt Service Obligations. For the purposes of meeting all debt service obligations of the District during the 2024 budget year, 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 District.

Section 4. Levy for Contractual Obligation Expenses. For the purposes of meeting all contractual obligations of the District during the 2024 budget year, 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 District.

Section 5. Levy for Capital Project Expenses. For the purposes of meeting all capital project obligations of the District during the 2024 budget year, 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 District.

Section 6. Mill Levy Adjustment. When developing the attached budget, consideration was given to any changes in the method of calculating assessed valuation, including any changes to the assessment ratios, or any constitutionally mandated tax credit, cut or abatement, as authorized in the District's service plan. The Board hereby determines in good faith (such determination to be binding and final), that to the extent possible, the adjustments to the mill levies made to account for changes in Colorado law described in the prior sentence, and the actual tax revenues generated by the mill levies, are neither diminished nor enhanced as a result of those changes.

Section 7. Certification to County Commissioners. The Board directs its legal counsel, manager, accountant or other designee to certify to the Board of County Commissioners of Douglas County, Colorado the mill levies for the District as set forth herein. Such certification shall be in compliance with the requirements of Colorado law.

Section 8. Appropriations. The amounts set forth as expenditures in the budget attached hereto are hereby appropriated.

Section 9. Filing of Budget and Budget Message. The Board hereby directs its legal counsel, manager or other designee to file a certified copy of the adopted budget resolution, the budget and budget message with the Division of Local Government by January 30 of the ensuing year.

Section 10. Budget Certification. The budget shall be certified by a member of the District, or a person appointed by the District, and made a part of the public records of the District.

[Remainder of Page Intentionally Left Blank]

ADOPTED NOVEMBER 14, 2023.

DISTRICT:

DAWSON TRAILS METROPOLITAN DISTRICT NO. 7, a quasi-municipal corporation and political subdivision of the State of Colorado

By: Lawrence P. Jacobson
Officer of the District

Attest:

By: Jake Schroeder
7FE830F442514BF...

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

Jennifer Gruber Tanaka
General Counsel to the District

STATE OF COLORADO
COUNTY OF DOUGLAS
DAWSON TRAILS METROPOLITAN DISTRICT NO. 7

I hereby certify that the foregoing resolution constitutes a true and correct copy of the record of proceedings of the Board adopted by a majority of the Board at a District meeting held via teleconference on November 14, 2023, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 14th day of November, 2023.

Jake Schroeder
Signature

EXHIBIT A
BUDGET DOCUMENT
BUDGET MESSAGE

**DAWSON TRAILS METROPOLITAN DISTRICT NO. 7
ANNUAL BUDGET**

FOR THE YEAR ENDING DECEMBER 31, 2024

**DAWSON TRAILS METROPOLITAN DISTRICT NO. 7
GENERAL FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/4/24

| | ACTUAL 2022 | ESTIMATED 2023 | BUDGET 2024 |
|---|----------------|-------------------|----------------|
| BEGINNING FUND BALANCES | \$ - | \$ - | \$ - |
| REVENUES | | | |
| Property taxes | 702 | 714 | 927 |
| Specific ownership taxes | 63 | 58 | 83 |
| Other revenue | - | - | 490 |
| Total revenues | <u>765</u> | <u>772</u> | <u>1,500</u> |
| Total funds available | <u>765</u> | <u>772</u> | <u>1,500</u> |
| EXPENDITURES | | | |
| General and administrative | | | |
| County Treasurer's fee | 11 | 11 | 14 |
| Contingency | - | - | 490 |
| Transfer to District No. 1 | 754 | 761 | 996 |
| Total expenditures | <u>765</u> | <u>772</u> | <u>1,500</u> |
| Total expenditures and transfers out requiring appropriation | <u>765</u> | <u>772</u> | <u>1,500</u> |
| ENDING FUND BALANCES | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

DAWSON TRAILS METROPOLITAN DISTRICT NO. 7
PROPERTY TAX SUMMARY INFORMATION
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,

1/4/24

| ACTUAL | ESTIMATED | BUDGET |
|--------|-----------|--------|
| 2022 | 2023 | 2024 |

ASSESSED VALUATION

| | | | |
|--------------------------|----------|----------|-----------|
| Agricultural | \$ 7,560 | \$ 6,890 | \$ 1,820 |
| Personal property | 1,800 | 1,600 | 10,700 |
| Certified Assessed Value | \$ 9,360 | \$ 8,490 | \$ 12,520 |

MILL LEVY

| | | | |
|-----------------|--------|--------|--------|
| General | 74.044 | 74.044 | 74.044 |
| Total mill levy | 74.044 | 74.044 | 74.044 |

PROPERTY TAXES

| | | | |
|--------------------------------|--------|--------|--------|
| General | \$ 693 | \$ 629 | \$ 927 |
| Levied property taxes | 693 | 629 | 927 |
| Adjustments to actual/rounding | 9 | 85 | - |
| Budgeted property taxes | \$ 702 | \$ 714 | \$ 927 |

BUDGETED PROPERTY TAXES

| | | | |
|---------|--------|--------|--------|
| General | \$ 702 | \$ 714 | \$ 927 |
| | \$ 702 | \$ 714 | \$ 927 |

**DAWSON TRAILS METROPOLITAN DISTRICT NO. 7
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Dawson Trails Metropolitan District No. 7 (the District) is a quasi-municipal corporation and political subdivision of the State of Colorado under Title 32, Article 1 of the Colorado Revised Statutes, and was organized (Originally as Westfield Metropolitan District No. 2) by order of the District Court in Douglas County on October 31, 1985, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District was established to provide construction, installation, financing and operation of public improvements.

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

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, sale 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 information page of the budget.

For property tax collection year 2024, SB22-238 and SB23B-001 set the assessment rates and actual value reductions as follows:

| Category | Rate | | Category | Rate | Actual Value Reduction | Amount |
|---------------------------|-------------|--|-----------------------|-------------|-------------------------------|---------------|
| Single-Family Residential | 6.70% | | Agricultural Land | 26.40% | Single-Family Residential | \$55,000 |
| Multi-Family Residential | 6.70% | | Renewable Energy Land | 26.40% | Multi-Family Residential | \$55,000 |
| Commercial | 27.90% | | Vacant Land | 27.90% | Commercial | \$30,000 |
| Industrial | 27.90% | | Personal Property | 27.90% | Industrial | \$30,000 |
| Lodging | 27.90% | | State Assessed | 27.90% | Lodging | \$30,000 |
| | | | Oil & Gas Production | 87.50% | | |

**DAWSON TRAILS METROPOLITAN DISTRICT NO. 7
2024 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 9% of the property taxes collected.

Expenditures

Transfers to Dawson Trails Metropolitan District No. 1

The District intends to enter into a Master Intergovernmental Agreement, whereby Dawson Trails Metropolitan District No. 1 will provide certain operation, maintenance and administrative services benefitting the District. The District will pay all costs of such services through the imposition of ad valorem property taxes and transferring the net tax revenues to Dawson Trails Metropolitan District No. 1.

Debt and Leases

The District has no debt, nor any capital and operating leases.

Reserves

Emergency Reserve

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year spending. Since substantially all funds received by the District are transferred to Dawson Trails Metropolitan District No. 1, which pays for all Districts' operations and maintenance costs, and which provides for the required reserve amount, an Emergency Reserve is not reflected in the District's Budget.

This information is an integral part of the accompanying budget.