

LETTER OF BUDGET TRANSMITTAL

Date: January 31, 2024

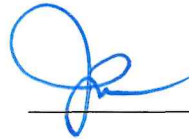
To: Division of Local Government
1313 Sherman Street, Room 521
Denver, Colorado 80203

Attached are the 2024 budget and budget message for HOMESTEAD RANCH METROPOLITAN DISTRICT NO. 4 in Weld County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on October 24, 2023. If there are any questions on the budget, please contact:

Seef LeRoux
CliftonLarsonAllen LLP
121 South Tejon Street, Ste. 1100
Colorado Springs, CO 80903
Tel.: 719-635-0330

I, S. Alan Vancil, as Secretary of Homestead Ranch Metropolitan District No. 4, hereby certify that the attached is a true and correct copy of the 2024 budget.

By: _____



**RESOLUTION
TO ADOPT 2024 BUDGET, APPROPRIATE SUMS OF MONEY,
AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY
HOMESTEAD RANCH METROPOLITAN DISTRICT NO. 4**

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2024 TO HELP DEFRAY THE COSTS OF GOVERNMENT, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR HOMESTEAD RANCH METROPOLITAN DISTRICT NO. 4, WELD COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2024, AND ENDING ON THE LAST DAY OF NOVEMBER, 2024,

WHEREAS, the Board of Directors of the Homestead Ranch 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 or posted in accordance with the law, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on October 24, 2023, 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 or planned to be expended from reserves or fund balances so that the budget remains in balance, as required by law; and

WHEREAS, the amount of money necessary to balance the budget for general operating purposes from property tax revenue is \$12,528.45; and

WHEREAS, the Board of Directors finds that it is required to temporarily lower the operating mill levy to render a refund for \$0; and

WHEREAS, the amount of money necessary to balance the budget for voter-approved bonds and interest is \$0; and

WHEREAS, the amount of money necessary to balance the budget for contractual obligation purposes from property tax revenue as approved by voters from property tax revenue is \$62,647.25; and

WHEREAS, the amount of money necessary to balance the budget for capital expenditure purposes from property tax revenue as approved by voters or at public hearing is \$0; and

WHEREAS, the amount of money necessary to balance the budget for IGA with the Town of Firestone (URA) is \$18,793.30; and

WHEREAS, the 2023 valuation for assessment for the District as certified by the County Assessor of Weld County is \$1,249,970.00; and

WHEREAS, at an election held on November 5, 2019, the District has eliminated the revenue and expenditure limitations imposed on governmental entities by Article X, Section 20 of the Colorado Constitution and Section 29-1-301, C.R.S., as amended.

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

Section 1. Adoption of Budget. 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 Homestead Ranch Metropolitan District No. 4 for calendar year 2024.

Section 2. Budget Revenues. That the estimated revenues for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 3. Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 4. Levy of General Property Taxes. That the Board of Directors does hereby certify the levy of general property taxes for collection in 2024 as follows:

A. Levy for General Operating and Other Expenses. That for the purposes of meeting all general operating expense of the District during the 2024 budget year, there is hereby levied a tax of 10.023 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2023.

B. Temporary Tax Credit or Rate Reduction. That pursuant to Section 39-1-111.5, C.R.S. for the purposes of effect of a refund for the purposes set forth in Section 20 of Article X of the Colorado Constitution, there is hereby certified a temporary property tax credit or temporary mill levy rate reduction of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2023.

C. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all debt retirement expense of the District during the 2024 budget

year, as the funding requirements of the current outstanding general obligation indebtedness is detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2023.

D. Levy for Contractual Obligations. That for the purposes of meeting the contractual obligation expense of the District during the 2024 budget year, as detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 50.119 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2023.

E. Levy for Capital Expenditures. That for the purposes of meeting all capital expenditures of the District during the 2024 budget year pursuant to Section 29-1-301(1.2) or 29-1-302(1.5), C.R.S., 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 boundaries of the District for the year 2023.

F. Levy for IGA-URA. That for the purposes of meeting IGA-URA expenditures of the District during the 2024 budget year as detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 15.035 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2023.

Section 5. Property Tax and Fiscal Year Spending Limits. 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. Certification. That the appropriate officers of the District are hereby authorized and directed to certify to the Board of County Commissioners of Weld County, Colorado, the mill levies for the District herein above determined and set, or be authorized and directed to certify to the Board of County Commissioners of Weld County, Colorado, as herein above determined and set, but as 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 or to implement the intent of the District. That said certification shall be in substantially the form set out and attached hereto and incorporated herein by this reference.

Section 7. 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.

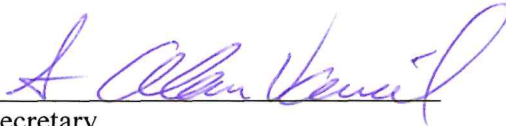
ADOPTED this 24th day of October, 2023.

HOMESTEAD RANCH METROPOLITAN
DISTRICT NO. 4



President

ATTEST:



Secretary

Homestead Ranch Metro District No. 4			
General Fund Budget			
Year Ended 12/31/2024			
Modified Accrual Basis			
	2022	2023	2024
	Actual 12/31/2022	Estimated 12/31/2023	Proposed Budget
BEGINNING FUND BALANCE	\$ 7,404	\$ 12,283	\$ 23,672
REVENUES			
Property Tax - Operating	3,302	\$ 7,708	\$ 12,529
Property Tax - Urban Renewal Authority	4,953	\$ 11,562	\$ 18,793
Specific Ownership Tax	489	1,156	1,879
Contingency Income	-	-	100
Total Revenues	8,744	20,426	33,301
EXPENDITURES			
County Collection Fee	50	116	188
County Collection Fee - Urban Renewal Authority	74	173	282
Intergovernmental expenditures - District 1 General Fund	3,741	8,748	14,220
Intergovernmental expenditures - Urban Renewal Authority	-	-	18,511
Contingency Expense	-	-	100
Total Expenses	3,865	9,037	33,301
Excess of Revenues over Expenditures	4,879	11,389	-
ENDING FUND BALANCE	\$ 12,283	\$ 23,672	\$ 23,672
Emergency Reserve - 3% of Expenses	\$ -	\$ -	\$ -
Unrestricted Fund Balance	\$ -	\$ -	\$ -

Homestead Ranch Metro District No. 4			
Capital Fund Budget			
Year Ended 12/31/2024			
Modified Accrual Basis			
	2022	2023	2024
	Actual 12/31/2022	Estimated 12/31/2023	Proposed Budget
BEGINNING FUND BALANCE	\$ 69,591	\$ 89,076	\$ 138,351
REVENUES			
Property Tax	16,510	38,541	\$ 62,647
Specific Ownership tax	977	2,312	3,759
Interest on investments	2,246	9,000	10,000
Contingency	-	-	200
Total Revenues	19,733	49,853	76,606
EXPENDITURES			
County Collection Fee	248	578	940
Contingency	-	-	200
Total Expenditures	248	578	1,140
Excess of Revenues over Expenditures	19,485	49,275	75,466
ENDING FUND BALANCE	\$ 89,076	\$ 138,351	\$ 213,817

Homestead Ranch Metro District No. 1-4					
Property Taxes					
2023 Valuations for 2024 Taxes		1669	1670	1671	1672
	Combined	District	District	District	District
		No. 1	No. 2	No. 3	No. 4
Agricultural Land & Buildings Market Value	33,254	20	14,932	8,540	9,762
Percentage	0.00%	10.00%	26.45%	26.35%	26.43%
Assessed Value	8,782	2	3,950	2,250	2,580
Severed Mineral Interests (Oil & Gas)	8,438,897		329,352	6,159,508	1,950,037
Percentage	0.00%	0.00%	27.90%	79.71%	63.97%
Assessed Value	6,249,250		91,890	4,909,970	1,247,390
Public Utility state value	4,559		4,559	-	-
Percentage	0.00%	0.00%	27.86%	0.00%	0.00%
Assessed Value	1,270		1,270	-	-
Total Assessed Value - Final as of	6,259,300	20	97,110	4,912,220	1,249,970
Mill Levy - General Operating & Contractual	75.00	-	77.63	75.09	75.18
Property Tax to be paid	\$ 469,449	\$ -	\$ 7,539	\$ 368,859	\$ 93,973
Property Tax					
Operations & Maintenance	\$ 62,715	\$ -	\$ 1,005	\$ 49,181	\$ 12,529
Contractual Obligations - URA Mill Levy	\$ 94,073	\$ -	\$ 1,508	\$ 73,772	\$ 18,793
Contractual Obligations	\$ 313,588	\$ -	\$ 5,026	\$ 245,915	\$ 62,647
Total	\$ 470,376	\$ -	\$ 7,539	\$ 368,868	\$ 93,969
Mill Levy Charged					
Operations & Maintenance		-	10.351	10.012	10.023
Contractual Obligations - URA Mill Levy		-	15.527	15.018	15.035
Contractual Obligations		-	51.756	50.062	50.119
Total		-	77.634	75.092	75.177

**HOMESTEAD METROPOLITAN DISCTR NO. 4
WELD COUNTY, CO
2024 BUDGET MESSAGE
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Homestead Ranch 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 November 2019. The District was established as part of a “Multiple District Structure” for The Homestead Ranch community located in the Town of Firestone, Weld County, Colorado. Along with its companion Districts No. 1 (“Service District”) and Nos. 2 and 3 (“Financing Districts”) this Financing District was organized to provide financing for the design, acquisition, construction and installation of public improvements, facilities and services. The District is located in the West Half of Section 4, Township 2 North, Range 67 West of 6th P.M., Town of Firestone, County of Weld, State of Colorado and contains approximately 98.632 acres, more or less. The public improvements to be provided by the Districts are proposed to include the types of facilities and improvements for streets and roadways, street landscaping, signage, monuments, and lighting, safety protection, park and recreation, sanitation and storm drainage, water improvements and other related improvements and their operation and maintenance.

The District is authorized to issue General Obligation Debt in an amount not to exceed \$25,000,000. A mill levy cap of 50 mills applies to the District in connection with the General Obligation Debt.

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

The following budget is prepared on the modified accrual basis of accounting, in accordance with requirements of Colorado Revised Statutes C.R.S. 29-1-105.

GENERAL FUND

REVENUES

1. Property Taxes - O&M are based on the assessed value of property within the District as established by Weld County. Mill levies are budgeted for Operations and Maintenance at 10.023 mills.
2. Property Taxes - URA are based on an IGA with the Town of Firestone, Colorado. The property taxes are collected by District #3 and transfer to The Town of Firestone net of county collection fee. Mill levies are budgeted for the URA at 15.035 mills.
3. Specific ownership taxes are budgeted at 6.0% of property taxes collected. These taxes are set by the state and collected by the county treasurer primarily on vehicle licensing within the county as a whole. They are allocated by the county treasurer to all taxing entities within the county.
4. Contingency income is budgeted for unanticipated income.

EXPENDITURES

1. The County property tax collection fee is based on 1.5% of the property tax received.
2. Net Operations & Maintenance tax revenues are paid as Intergovernmental Expenses for services to District #1.
3. Net URA tax revenues are transferred to The Town of Firestone.
4. A contingency expense is budgeted for unexpected expenses.

**HOMESTEAD METROPOLITAN DISCTR NO. 4
WELD COUNTY, CO
2024 BUDGET MESSAGE
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

CAPITAL PROJECT FUND

REVENUES

1. Property Taxes are based on the assessed value of property within the District as established by Weld County. Mill levies are budgeted for Debt Service at 50.119 mills.
2. Specific ownership taxes are budgeted at 6.0% of property taxes collected. These taxes are set by the state and collected by the county treasurer primarily on vehicle licensing within the county as a whole. They are allocated by the county treasurer to all taxing entities within the county.
3. Contingency income is budgeted for unanticipated income.

EXPENDITURES

1. The County property tax collection fee is based on 1.5% of the property tax received.
2. A contingency expense is budgeted for unexpected expenses.

DEBT SERVICE FUND

REVENUES & EXPENDITURES

1. There are no Revenues or Expenditures budgeted for the Debt Service Fund in 2024.

RESERVES

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year revenues. Since substantially all funds received by the District are transferred to District #1, which pays for all of the Districts' operations and maintenance costs, an emergency reserve is not reflected in the District's Budget.

ADDITIONAL INFORMATION

1. The basis of accounting for the District is the Modified Accrual Basis.
2. There are no operating or capital lease obligations of the District.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of WELD COUNTY, Colorado.

On behalf of the HOMESTEAD RANCH METRO DISTRICT 4,
(taxing entity)^A
 the Board of Directors,
(governing body)^B
 of the HOMESTEAD RANCH METRO DISTRICT 4,
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ \$1,249,970.00 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: \$ \$1,249,970.00 (NET^G 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: 01/07/2024 for budget/fiscal year 2024.
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE <small>(see end notes for definitions and examples)</small>	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	10.023 mills	\$ 12528.45
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < 0 >
SUBTOTAL FOR GENERAL OPERATING:	10.023 mills	\$ 12528.45
3. General Obligation Bonds and Interest ^J	mills	\$ 0
4. Contractual Obligations ^K	50.119 mills	\$ 62647.25
5. Capital Expenditures ^L	mills	\$ 0
6. Refunds/Abatements ^M	mills	\$ 0
7. Other ^N (specify): <u>IGA - URA</u>	15.035 mills	\$ 18793.30
	mills	\$
TOTAL: <small>[Sum of General Operating Subtotal and Lines 3 to 7]</small>	75.177 mills	\$ 93968.99

Contact person: Terri Boroviak Daytime phone: 303-439-6030
 (print)
 Signed: _____ Title: District Accountant

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.

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).

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^J:

- | | | |
|----|-------------------|-------|
| 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^K:

- | | | |
|----|----------------------|-------------------------------------------------|
| 3. | Purpose of Contract: | Public Infrastructure |
| | Title: | Anticipated 2024 |
| | Date: | 12/06/2019 |
| | Principal Amount: | Unknown |
| | Maturity Date: | 12/31/2024 |
| | Levy: | 50.119 |
| | Revenue: | \$ 62.647 |
| | | |
| 4. | Purpose of Contract: | URA Mill Levv |
| | Title: | IGA with The Town of Firestone. Colorado |
| | Date: | 09/11/2019 |
| | Principal Amount: | Unknown |
| | Maturity Date: | 09/11/2024 |
| | Levy: | 15.035 |
| | Revenue: | \$ 18.793 |

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.