

MURATA FARMS RESIDENTIAL METROPOLITAN DISTRICT

2023 BUDGET

SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

The District was organized to provide construction, installation, financing and operation of certain public improvements and facilities, including streets, street lighting and traffic and safety controls, water improvements, sanitary sewer and storm drainage improvements, landscaping, and park and recreation improvements. The District prepares its budget on the modified accrual basis of accounting.

REVENUES

The primary source of funds for 2023 is developer advances. The District anticipates receiving developer advances in the amount of \$66,100 to pay for operations and maintenance expenses.

DEBT

In 2022, the Board issued \$8,410,000 in General Obligation Limited Tax Bonds. The net bond proceeds will be used to pay for capital outlay.

ADMINISTRATIVE EXPENSES

Administrative expenses have been budgeted based on estimates of the District's Board of Directors and consultants to include services necessary to maintain the District's administrative viability, such as legal, accounting, managerial, general engineering, insurance, meeting expenses and other administrative costs and expenses.

EMERGENCY RESERVE

The District has provided for an emergency reserve equal to at least 3% of fiscal year spending for 2023, as defined under TABOR.

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

RESOLUTION

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR TO HELP DEFRAID THE COSTS OF THE GOVERNMENT, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE MURATA FARMS RESIDENTIAL METROPOLITAN DISTRICT, CITY OF FORT LUPTON WELD COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2023 AND ENDING ON THE LAST DAY OF DECEMBER, 2023.

WHEREAS, the Board of Directors (the “Board”) of the Murata Farms Residential Metropolitan District (the “District”) has authorized its consultants, treasurer and legal counsel to prepare and submit a proposed budget to said governing body no later than October 15, 2022; and

WHEREAS, the proposed 2023 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 October 20, 2022 in the Fort Lupton Press, said proposed budget was open for inspection by the public at a designated place, a public hearing was held at 11:30 A.M, Thursday, October 27, 2022 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, as required by law.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MURATA FARMS RESIDENTIAL METROPOLITAN DISTRICT, WELD COUNTY, COLORADO, AS FOLLOWS:

Section 1. Summary of 2023 Revenues and 2023 Expenditures. That the estimated revenues and expenditures for each fund for fiscal year 2023, 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 2023.

Section 3. 2023 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 \$66,502, and that the 2022 valuation for assessment, as certified by the Weld County Assessor, is \$11,140. That for the purposes of meeting all general operating expenses of the District during the 2023 budget year, there is hereby levied a tax of 10 mills upon each dollar of the total valuation of assessment of all taxable property within the District during the year 2022.

Section 4. 2023 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 \$2009 and that the 2022 valuation for assessment, as certified by the Weld County Assessor, is \$11,140. That for the purposes of meeting all debt retirement expenses of the District during the 2023 budget year, there is hereby levied a tax of 55.277 mills upon each dollar of the total valuation of assessment of all taxable property within the District during the year 2022.

Section 5. Certification to Board of County Commissioners. That the attorney, accountant or manager for the District is hereby authorized and directed to certify to the Weld County Board of County Commissioners, no later than December 15, 2022, 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 Secretary/Treasurer of the District, and made a part of the public records of the District.

The foregoing Resolution was seconded by Director Eckberg.

RESOLUTION APPROVED AND ADOPTED ON OCTOBER 27, 2022.

MURATA FARMS RESIDENTIAL METROPOLITAN DISTRICT

DocuSigned by:
Eric Eckberg
45865A2E0F9540D...

By: _____

Eric Eckberg, President

ATTEST:

DocuSigned by:
John Fairbairn
AF7868824B5F428...

John Fairbairn, Secretary/Treasurer

APPROVED AS TO FORM:
LAW OFFICE OF MICHAEL E. DAVIS, LLC
As General Counsel to the District

Michael E. Davis

STATE OF COLORADO
COUNTY OF WELD
MURATA FARMS RESIDENTIAL METROPOLITAN DISTRICT

I, John Fairbairn, hereby certify that I am a director and the duly elected and qualified Secretary/Treasurer of Murata Farms Residential Metropolitan District (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 at 11:30 A.M on Thursday, October 27, 2022, by videoconference at

<https://us06web.zoom.us/j/89275173460?pwd=cXV2YUtMSndqK0pFQS9KNE9RUlVMZz09>

and by teleconference at +1 720 707 2699 Meeting ID: 892 7517 3460 as recorded in the official record of the proceedings of the District, insofar as said proceedings relate to the budget hearing for fiscal year 2023; 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.

IN WITNESS WHEREOF, I have hereunto subscribed my name on OCTOBER 27, 2022

DocuSigned by:

AF7868824B5F428...

John Fairbairn, Secretary/Treasurer

EXHIBIT A
2023 BUDGET DOCUMENT & BUDGET MESSAGE FOR
MURATA FARMS RESIDENTIAL METROPOLITAN DISTRICT

**MURATA FARMS RESIDENTIAL METROPOLITAN DISTRICT
2023 BUDGET**

SUMMARY OF SIGNIFICANT ASSUMPTIONS

Murata Farms Residential Metropolitan District
GENERAL FUND
2023 ADOPTED BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED AMOUNTS
FOR THE YEARS ENDED AND ENDING DECEMBER 31,

	2021	2022	2023
	Actual	Estimated	Adopted
REVENUES			
Property taxes	\$ -	\$ -	\$ 396
Specific ownership taxes	-	-	28
Miscellaneous	-	1,250	-
Total revenues	<u>-</u>	<u>1,250</u>	<u>424</u>
EXPENDITURES			
Audit	-	1,000	15,000
County treasurer fees	-	-	6
District management and accounting	-	17,000	20,000
Dues and subscriptions	-	500	500
Election	-	1,000	2,000
Engineer	-	5,100	5,100
Insurance and bonds	-	3,000	3,000
Legal	-	17,000	17,000
Miscellaneous	-	2,000	2,000
Emergency reserve	-	1,400	1,900
Total expenditures	<u>-</u>	<u>48,000</u>	<u>66,506</u>
EXCESS OF EXPENDITURES OVER REVENUES	<u>-</u>	<u>(46,750)</u>	<u>(66,082)</u>
OTHER FINANCING SOURCES (USES)			
Developer advances	-	55,432	66,100
Transfer to capital fund	-	(7,432)	-
Total other financing sources (uses)	<u>-</u>	<u>48,000</u>	<u>66,100</u>
NET CHANGE IN FUND BALANCE	-	1,250	18
BEGINNING FUND BALANCE	<u>-</u>	<u>-</u>	<u>1,250</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ 1,250</u>	<u>\$ 1,268</u>

Murata Farms Residential Metropolitan District
DEBT SERVICE FUND
2023 ADOPTED BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED AMOUNTS
FOR THE YEARS ENDED AND ENDING DECEMBER 31,

	2021 Actual	2022 Estimated	2023 Adopted
REVENUES			
Property taxes	\$ -	\$ -	\$ 2,186
Specific ownership taxes	-	-	153
Capital pledge revenue - Murata Farms Commercial	-	-	286
Total revenues	<u>-</u>	<u>-</u>	<u>2,625</u>
EXPENDITURES			
County treasurer fees	-	-	33
Paying agent and cash management fees	-	-	2,000
Total expenditures	<u>-</u>	<u>-</u>	<u>2,033</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>592</u>
OTHER FINANCING SOURCES			
Transfer from capital projects fund	-	-	2,000
Total other financing sources	<u>-</u>	<u>-</u>	<u>2,000</u>
NET CHANGE IN FUND BALANCE	-	-	2,592
BEGINNING FUND BALANCE	<u>-</u>	<u>-</u>	<u>-</u>
ENDING FUND BALANCE	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,592</u></u>

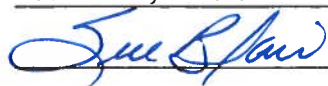
Murata Farms Residential Metropolitan District
CAPITAL PROJECTS FUND
2023 ADOPTED BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED AMOUNTS
FOR THE YEARS ENDED AND ENDING DECEMBER 31,

	2021 Actual	2022 Estimated	2023 Adopted
REVENUES			
Interest	\$ -	\$ 40,000	\$ 15,000
Total revenues	<u>-</u>	<u>40,000</u>	<u>15,000</u>
EXPENDITURES			
<u>Capital outlay</u>			
Capital outlay	-	3,124,618	4,926,371
<u>Debt service</u>			
Bond issuance costs		401,943	-
Paying agent and cash management fees	-	13,500	4,000
Total expenditures	<u>-</u>	<u>3,540,061</u>	<u>4,930,371</u>
EXCESS OF EXPENDITURES OVER REVENUES	<u>-</u>	<u>(3,500,061)</u>	<u>(4,915,371)</u>
OTHER FINANCING SOURCES (USES)			
Bond proceeds		8,410,000	-
Transfer to debt service fund	-	-	(2,000)
Transfer from general fund	-	7,432	-
Total other financing sources (uses)	<u>-</u>	<u>8,417,432</u>	<u>(2,000)</u>
NET CHANGE IN FUND BALANCE	-	4,917,371	(4,917,371)
BEGINNING FUND BALANCE	<u>-</u>	<u>-</u>	<u>4,917,371</u>
ENDING FUND BALANCE	<u><u>\$ -</u></u>	<u><u>\$ 4,917,371</u></u>	<u><u>\$ -</u></u>

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments**TO:** County Commissioners¹ of WELD COUNTY, Colorado.**On behalf of the** MURATA FARMS RESIDENTIAL METROPOLITAN DISTRICT,
(taxing entity)^Athe BOARD OF DIRECTORS
(governing body)^Bof the MURATA FARMS RESIDENTIAL METROPOLITAN DISTRICT
(local government)^C**Hereby officially certifies the following mills**
to be levied against the taxing entity's GROSS \$ 39,550
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:** 12/11/2022 for budget/fiscal year 2023.
(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>10.000</u> mills	<u>\$ 396</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	<u><</u> <u>></u> mills	<u>\$ <</u> <u>></u>
SUBTOTAL FOR GENERAL OPERATING:	<u>10.000</u> mills	<u>\$ 396</u>
3. General Obligation Bonds and Interest ^J	<u>55.277</u> mills	<u>\$ 2,186</u>
4. Contractual Obligations ^K	<u></u> mills	<u>\$</u>
5. Capital Expenditures ^L	<u></u> mills	<u>\$</u>
6. Refunds/Abatements ^M	<u></u> mills	<u>\$</u>
7. Other ^N (specify): <u></u>	<u></u> mills	<u>\$</u>
	<u></u> mills	<u>\$</u>
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	<u>65.277</u> mills	<u>\$2,582</u>

Contact person: (print) Sue Blair, CRS of Colorado, LLC Daytime phone: 303-381-4977

Signed:  Title: District Manager

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.

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: Capital Improvements
Series: 2022 - GO Limited Tax Bonds
Date of Issue: MARCH 14, 2022
Coupon Rate: Varies
Maturity Date: December 1, 2054
Levy: 53.277
Revenue: \$2,186
2. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

CONTRACTS^K:

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 report all bond and contractual obligations.