

**RESOLUTION NO. 2023-11-03**

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

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The Board of Directors of Dawson Trails Metropolitan District No. 1 (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.

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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.

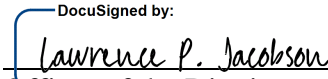
Section 10. Budget Certification. The budget shall be certified by a member of the District, or a person appointed by the District, and made a part of the public records of the District.

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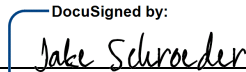
ADOPTED NOVEMBER 14, 2023.

**DISTRICT:**

**DAWSON TRAILS METROPOLITAN DISTRICT NO. 1**, a quasi-municipal corporation and political subdivision of the State of Colorado

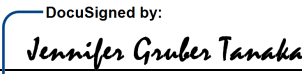
By:  \_\_\_\_\_  
Officer of the District

Attest:

By:  \_\_\_\_\_  
7FE830F442514BF...

**APPROVED AS TO FORM:**

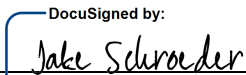
**WHITE BEAR ANKELE TANAKA & WALDRON**  
Attorneys at Law

 \_\_\_\_\_  
General Counsel to the District

STATE OF COLORADO  
COUNTY OF DOUGLAS  
DAWSON TRAILS METROPOLITAN DISTRICT NO. 1

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 at 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 14<sup>th</sup> day of November, 2023.

 \_\_\_\_\_  
Signature

**EXHIBIT A**  
**BUDGET DOCUMENT**  
**BUDGET MESSAGE**

**DAWSON TRAILS METROPOLITAN DISTRICT NO. 1**

**ANNUAL BUDGET**

**FOR THE YEAR ENDING DECEMBER 31, 2024**



**DAWSON TRAILS METROPOLITAN DISTRICT NO. 1  
SUMMARY  
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	\$ -	\$ 102,008	\$ 276,310
REVENUES			
Property taxes	3,434	5,563	4,939
Specific ownership taxes	304	516	445
Interest income	14	700	3,515,000
Developer advance	-	5,000,000	60,482,374
Bond Issuance - Series 2023	-	-	86,017,626
Transfers from other districts	207,270	8,494	10,257
Billboard Revenue	24,122	20,000	-
Other revenue	-	389,029	-
Total revenues	<u>235,144</u>	<u>5,424,302</u>	<u>150,030,641</u>
TRANSFERS IN	<u>-</u>	<u>-</u>	<u>4,000</u>
Total funds available	<u>235,144</u>	<u>5,526,310</u>	<u>150,310,951</u>
EXPENDITURES			
General Fund	133,136	250,000	220,000
Debt Service Fund	-	-	4,000
Capital Projects Fund	-	5,000,000	150,000,000
Total expenditures	<u>133,136</u>	<u>5,250,000</u>	<u>150,224,000</u>
TRANSFERS OUT	<u>-</u>	<u>-</u>	<u>4,000</u>
Total expenditures and transfers out requiring appropriation	<u>133,136</u>	<u>5,250,000</u>	<u>150,228,000</u>
ENDING FUND BALANCES	<u>\$ 102,008</u>	<u>\$ 276,310</u>	<u>\$ 82,951</u>
EMERGENCY RESERVE	<u>\$ 7,100</u>	<u>\$ 12,800</u>	<u>\$ 1,000</u>
TOTAL RESERVE	<u>\$ 7,100</u>	<u>\$ 12,800</u>	<u>\$ 1,000</u>

**DAWSON TRAILS METROPOLITAN DISTRICT NO. 1**  
**PROPERTY TAX SUMMARY INFORMATION**  
**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
<b>ASSESSED VALUATION</b>			
Agricultural	\$ 6,840	\$ 6,840	\$ 2,810
Vacant land	-	5,490	-
Personal property	69,480	62,800	63,900
Certified Assessed Value	<u>\$ 76,320</u>	<u>\$ 75,130</u>	<u>\$ 66,710</u>
<b>MILL LEVY</b>			
General	45.000	74.044	74.044
Total mill levy	<u>45.000</u>	<u>74.044</u>	<u>74.044</u>
<b>PROPERTY TAXES</b>			
General	\$ 3,434	\$ 5,563	\$ 4,939
Budgeted property taxes	<u>\$ 3,434</u>	<u>\$ 5,563</u>	<u>\$ 4,939</u>
<b>BUDGETED PROPERTY TAXES</b>			
General	<b>\$ 3,434</b>	<b>\$ 5,563</b>	<b>\$ 4,939</b>
	<b><u>\$ 3,434</u></b>	<b><u>\$ 5,563</u></b>	<b><u>\$ 4,939</u></b>

**DAWSON TRAILS METROPOLITAN DISTRICT NO. 1  
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	\$ -	\$ 102,008	\$ 276,310
REVENUES			
Property taxes	3,434	5,563	4,939
Specific ownership taxes	304	516	445
Interest income	14	700	15,000
Billboard Revenue	24,122	20,000	-
Other revenue	-	389,029	-
Transfers from other districts	207,270	8,494	10,257
Total revenues	<u>235,144</u>	<u>424,302</u>	<u>30,641</u>
Total funds available	<u>235,144</u>	<u>526,310</u>	<u>306,951</u>
EXPENDITURES			
General and administrative			
Accounting	23,268	40,000	40,000
County Treasurer's fee	52	83	74
Directors' fees	7,388	2,000	6,000
Dues and membership	2,187	1,715	2,500
Insurance	2,370	21,245	25,000
District management	9,185	15,000	25,000
Legal	81,974	140,000	100,000
Miscellaneous	3,520	12,000	9,000
Election	3,192	4,000	1,500
Contingency	-	13,957	10,926
Total expenditures	<u>133,136</u>	<u>250,000</u>	<u>220,000</u>
TRANSFERS OUT			
Transfers to other fund	<u>-</u>	<u>-</u>	<u>4,000</u>
Total expenditures and transfers out requiring appropriation	<u>133,136</u>	<u>250,000</u>	<u>224,000</u>
ENDING FUND BALANCES	<u>\$ 102,008</u>	<u>\$ 276,310</u>	<u>\$ 82,951</u>
EMERGENCY RESERVE	<u>\$ 7,100</u>	<u>\$ 12,800</u>	<u>\$ 1,000</u>
TOTAL RESERVE	<u>\$ 7,100</u>	<u>\$ 12,800</u>	<u>\$ 1,000</u>

No assurance provided. See summary of significant assumptions.

**DAWSON TRAILS METROPOLITAN DISTRICT NO. 1**  
**DEBT SERVICE 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			
Interest income	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
TRANSFERS IN			
Transfers from other funds	<u>-</u>	<u>-</u>	<u>4,000</u>
Total funds available	<u>-</u>	<u>-</u>	<u>4,000</u>
EXPENDITURES			
General and administrative			
Paying agent fees	-	-	4,000
Contingency	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>4,000</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>-</u>	<u>4,000</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**DAWSON TRAILS METROPOLITAN DISTRICT NO. 1  
CAPITAL PROJECTS 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			
Interest income	-	-	3,500,000
Developer advance	-	5,000,000	60,482,374
Bond Issuance - Series 2023	-	-	86,017,626
Total revenues	<u>-</u>	<u>5,000,000</u>	<u>150,000,000</u>
Total funds available	<u>-</u>	<u>5,000,000</u>	<u>150,000,000</u>
EXPENDITURES			
Capital Projects			
Accounting	-	-	25,000
Bond issue costs	-	-	2,970,353
Capital outlay	-	5,000,000	76,553,788
Engineering	-	-	50,000
Legal	-	-	50,000
Original Issue Discount	-	-	8,046,061
Repay developer advance	-	-	62,304,798
Total expenditures	<u>-</u>	<u>5,000,000</u>	<u>150,000,000</u>
TRANSFERS OUT			
Transfers to other fund	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>5,000,000</u>	<u>150,000,000</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**DAWSON TRAILS METROPOLITAN DISTRICT NO. 1  
2024 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

Dawson Trails Metropolitan District No. 1 (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 Dawson Ridge Metropolitan District No. 1) by order of the District Court in Douglas County 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. 1  
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.

**Interest Income**

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 5.0%.

**Transfers from Other Districts**

The District intends to enter into a Master Intergovernmental Agreement, whereby the District will provide certain operation, maintenance, and administrative services benefiting the District, Dawson Trails Metropolitan District Nos. 2-7, (collectively, "districts"). The Districts will pay all costs of such services through the imposition of ad valorem property taxes and transferring the net tax revenues to the District.

**Expenditures**

**General and Administrative Expenditures**

General and administrative expenditures include the estimated cost of services necessary to maintain the District's administrative viability such as legal, accounting, insurance, membership dues, election and other administrative expenditures.

**Capital Outlay**

The District anticipates capital outlay as outlined in the Capital Project Fund.

**Debt and Leases**

The District anticipates issuing Bonds in 2024. The final terms of the Bonds will be determined upon issuance of the Bonds.

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

**Reserves**

**Emergency Reserve**

TABOR requires local governments to establish emergency reserve. This reserve must be at least 3% of fiscal year spending.

**This information is an integral part of the accompanying budget.**