

LETTER OF BUDGET TRANSMITTAL

Date: January 26, 2021

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

Attached are the 2021 budget and budget message for LAKE OF THE ROCKIES METROPOLITAN DISTRICT in El Paso County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on November 20, 2020. If there are any questions on the budget, please contact:

Josh Miller, District Manager
111 S. Tejon St. Suite 705
Colorado Springs, CO
Tel.: 719-635-0330

I, Josh Miller as District manager of the Lake of the Rockies Metropolitan District, hereby certify that the attached is a true and correct copy of the 2021 budget.

By:  _____

RESOLUTION NO. 2020-11-03

**RESOLUTION TO ADOPT BUDGET AND APPROPRIATE SUMS OF MONEY
RESOLUTION OF THE BOARD OF DIRECTORS OF**

**LAKE OF THE ROCKIES METROPOLITAN DISTRICT, EL PASO COUNTY,
COLORADO, PURSUANT TO SECTION 29-1-108, C.R.S., SUMMARIZING
EXPENDITURES AND REVENUES FOR EACH FUND, ADOPTING A BUDGET AND
APPROPRIATING SUMS OF MONEY FOR THE BUDGET YEAR 2021**

A. The Board of Directors of Lake of the Rockies Metropolitan District (the “**District**”) has appointed CliftonLarsonAllen LLP to prepare and submit a proposed budget to said governing body at the proper time.

B. CliftonLarsonAllen LLP has submitted a proposed budget to this governing body on October 29, 2020 for its consideration.

C. Upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on November 20, 2020, and interested taxpayers were given the opportunity to file or register any objections to said proposed budget.

D. The budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, reserve transfers and expenditure exemptions, under Article X, Section 20 of the Colorado Constitution (“**TABOR**”) and other laws or obligations which are applicable to or binding upon the District.

E. 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.

F. The Board of Directors has made provision therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget.

G. It is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, thereby establishing a limitation on expenditures for the operations of the District.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF
LAKE OF THE ROCKIES METROPOLITAN DISTRICT, EL PASO COUNTY, COLORADO:**

1. The budget, as submitted, amended, and summarized by fund, is hereby approved and adopted as the budget of the District for the year stated above.

2. The budget is hereby approved and adopted, shall be certified by the Secretary of the District to all appropriate agencies and is made a part of the public records of the District.

3. The sums set forth as the total expenditures of each fund in the budget attached hereto as **Exhibit A** and incorporated herein by reference are hereby appropriated from the revenues of each fund, within each fund, for the purposes stated.

[SIGNATURE PAGE FOLLOWS]

**[SIGNATURE PAGE TO RESOLUTION TO ADOPT BUDGET AND
APPROPRIATE SUMS OF MONEY]**

RESOLUTION APPROVED AND ADOPTED on November 20, 2020.

**LAKE OF THE ROCKIES
METROPOLITAN DISTRICT**

DocuSigned by:
Mike Fenton
By: _____
00A3281C4DA9448...
President

Attest:

DocuSigned by:
Scott Boyd
By: _____
7479E20076A34B1...
Secretary

EXHIBIT A

Budget

LAKE OF THE ROCKIES METROPOLITAN DISTRICT
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2021

**LAKE OF THE ROCKIES METROPOLITAN DISTRICT
SUMMARY
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

12/24/20

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCES	\$ 357,249	\$ 292,098	\$ 266,268
REVENUES			
Property Taxes	147,876	227,969	273,297
Specific Ownership Tax	17,903	24,519	27,330
Interest Income	7,045	2,487	925
Homeowner Fees	56,509	72,160	185,328
Late Fees/Penalties	469	200	-
Developer Advance	35,000	17,521	-
Other Revenue	100	-	100
Total revenues	<u>264,902</u>	<u>344,856</u>	<u>486,980</u>
TRANSFERS IN	<u>13,287</u>	-	-
Total funds available	<u>635,438</u>	<u>636,954</u>	<u>753,248</u>
EXPENDITURES			
General Fund	187,273	226,719	209,000
Debt Service Fund	142,780	143,967	156,016
Total expenditures	<u>330,053</u>	<u>370,686</u>	<u>365,016</u>
TRANSFERS OUT	<u>13,287</u>	-	-
Total expenditures and transfers out requiring appropriation	<u>343,340</u>	<u>370,686</u>	<u>365,016</u>
ENDING FUND BALANCES	<u>\$ 292,098</u>	<u>\$ 266,268</u>	<u>\$ 388,232</u>
EMERGENCY RESERVE	\$ 4,400	\$ 4,900	\$ 8,300
AVAILABLE FOR OPERATIONS	(13,186)	(61,529)	624
DEBT SERVICE RESERVE	209,830	209,000	209,000
CAPITALIZED INTEREST	486	-	-
SURPLUS FUND	74,112	75,000	77,000
TOTAL RESERVE	<u>\$ 275,642</u>	<u>\$ 227,371</u>	<u>\$ 294,924</u>

No assurance provided. See summary of significant assumptions.

**LAKE OF THE ROCKIES METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

12/24/20

ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
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ASSESSED VALUATION

Residential	\$ 2,078,220	\$ 3,406,580	\$ 4,810,830
Commercial	51,840	48,830	29,270
Agricultural	220	230	230
State assessed	43,590	57,590	69,230
Vacant land	564,270	660,200	200
Certified Assessed Value	\$ 2,738,140	\$ 4,173,430	\$ 4,909,760

MILL LEVY

General	28.992	19.211	16.493
Debt Service	25.014	35.413	39.171
Total mill levy	54.006	54.624	55.664

PROPERTY TAXES

General	\$ 79,384	\$ 80,176	\$ 80,977
Debt Service	68,492	147,793	192,320
Budgeted property taxes	\$ 147,876	\$ 227,969	\$ 273,297

BUDGETED PROPERTY TAXES

General	\$ 79,384	\$ 80,176	\$ 80,977
Debt Service	68,492	147,793	192,320
	\$ 147,876	\$ 227,969	\$ 273,297

No assurance provided. See summary of significant assumptions.

**LAKE OF THE ROCKIES METROPOLITAN DISTRICT
GENERAL FUND
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

12/24/20

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCE	\$ (818)	\$ (8,786)	\$ (56,629)
REVENUES			
Property Taxes	79,384	80,176	80,977
Specific Ownership Tax	9,611	8,819	8,098
Late Fees/Penalties	469	200	-
Interest Income	40	-	50
Developer Advance	35,000	17,521	-
Other Revenue	100	-	100
Homeowner Fees	56,509	72,160	185,328
Total revenues	<u>181,113</u>	<u>178,876</u>	<u>274,553</u>
Total funds available	<u>180,295</u>	<u>170,090</u>	<u>217,924</u>
EXPENDITURES			
General and administrative			
Accounting	27,510	30,000	30,000
Auditing	3,850	4,000	5,000
Billing	14,458	15,000	9,500
County Treasurer's Fee	1,192	1,203	1,215
Dues and Licenses	257	455	500
Insurance and Bonds	3,109	3,410	3,500
District Management	38,958	40,000	40,000
Legal Services	20,046	40,000	30,000
Covenant Legal	-	-	2,400
Miscellaneous	2,377	80	500
Election Expense	-	10,475	-
Contingency	-	-	1,671
Operations and maintenance			
Repairs and Maintenance	-	1,200	3,000
Landscaping	19,500	19,896	10,644
Landscaping - Contingency	9,177	3,000	3,000
Snow Removal	13,123	9,000	15,000
Utilities	1,674	2,700	3,000
Trash Collection	20,639	28,000	35,570
Water Usage	6,251	2,700	3,600
Website	212	600	600
Covenant Enforcement	4,940	15,000	10,300
Total expenditures	<u>187,273</u>	<u>226,719</u>	<u>209,000</u>
TRANSFERS OUT			
Transfers to Capital Project Fund	<u>1,808</u>	-	-
Total expenditures and transfers out requiring appropriation	<u>189,081</u>	<u>226,719</u>	<u>209,000</u>
ENDING FUND BALANCE	<u>\$ (8,786)</u>	<u>\$ (56,629)</u>	<u>\$ 8,924</u>
EMERGENCY RESERVE	\$ 4,400	\$ 4,900	\$ 8,300
AVAILABLE FOR OPERATIONS	<u>(13,186)</u>	<u>(61,529)</u>	<u>624</u>
TOTAL RESERVE	<u>\$ (8,786)</u>	<u>\$ (56,629)</u>	<u>\$ 8,924</u>

No assurance provided. See summary of significant assumptions.

**LAKE OF THE ROCKIES METROPOLITAN DISTRICT
DEBT SERVICE FUND
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

12/24/20

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCE	\$ 348,444	\$ 300,884	\$ 322,897
REVENUES			
Property Taxes	68,492	147,793	192,320
Specific Ownership Tax	8,292	15,700	19,232
Interest Income	6,957	2,487	875
Total revenues	<u>83,741</u>	<u>165,980</u>	<u>212,427</u>
TRANSFERS IN			
Transfer from Capital Project Fund	<u>11,479</u>	-	-
Total funds available	<u>443,664</u>	<u>466,864</u>	<u>535,324</u>
EXPENDITURES			
General and administrative			
County Treasurer's Fee	1,028	2,217	2,885
Paying Agent Fees	6,002	6,000	6,000
Contingency	-	-	1,381
Debt Service			
Series 2018A Bond Interest	135,750	135,750	135,750
Series 2018A Bond Principle	-	-	10,000
Total expenditures	<u>142,780</u>	<u>143,967</u>	<u>156,016</u>
Total expenditures and transfers out requiring appropriation	<u>142,780</u>	<u>143,967</u>	<u>156,016</u>
ENDING FUND BALANCE	<u>\$ 300,884</u>	<u>\$ 322,897</u>	<u>\$ 379,308</u>
DEBT SERVICE RESERVE	\$ 209,830	\$ 209,000	\$ 209,000
CAPITALIZED INTEREST	486	-	-
SURPLUS FUND	74,112	75,000	77,000
TOTAL RESERVE	<u>\$ 284,428</u>	<u>\$ 284,000</u>	<u>\$ 286,000</u>

No assurance provided. See summary of significant assumptions.

**LAKE OF THE ROCKIES METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

12/24/20

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCE	\$ 9,623	\$ -	\$ -
REVENUES			
Interest Income	48	-	-
Total revenues	<u>48</u>	<u>-</u>	<u>-</u>
TRANSFERS IN			
Transfers from General Fund	<u>1,808</u>	<u>-</u>	<u>-</u>
Total funds available	<u>11,479</u>	<u>-</u>	<u>-</u>
EXPENDITURES			
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
TRANSFERS OUT			
Transfer to Debt Service Fund	<u>11,479</u>	<u>-</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>11,479</u>	<u>-</u>	<u>-</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**LAKE OF THE ROCKIES METROPOLITAN DISTRICT
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Lake of the Rockies Metropolitan District's (the District) organization was approved by eligible electors of the District at an election held on November 2, 2010. The District was organized by order of the District Court in and for El Paso County recorded on January 3, 2011. The Service Plan for the District was approved by the Town of Monument, Colorado, (the Town).

The Lake of the Rockies Metropolitan District was created pursuant to Title 32 Colorado Revised Statutes. The District is an independent unit of local government, separate and distinct from the Town. There are currently no other governmental entities, including any other district, located in the immediate vicinity of the District that consider it desirable, feasible or practical to undertake the planning, design, acquisition, construction installation, relocation, redevelopment, and financing of the Public Improvements needed for the Project. Formation of the District is therefore necessary in order for the Public Improvements required for the Project to be provided in the most economic manner possible.

The Public Improvements will be constructed for the use and benefit of all anticipated inhabitants and taxpayers of the District and the Town. The primary purpose of the District will be to finance the construction of these Public Improvements.

At the November 2, 2010 election for the District, the voters approved authorization to increase property taxes up to \$150,000 annually, as necessary, to pay for the operations and maintenance expenditures of the District. Total debt authorization was also approved in the amount of \$14,000,000 for streets, water, sewer and storm drainage improvements, refunding debt, and mortgages.

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

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 in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales 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 page of the budget using the adopted mill levy imposed by the District.

**LAKE OF THE ROCKIES METROPOLITAN DISTRICT
2021 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 10% 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 0.25%.

Homeowner Fees

The District charges each homeowner a monthly operation and maintenance fee of \$99. The 2021 budgeted revenues are based on 156 homeowners.

Expenditures

Administrative and Operating Expenditures

Operating and administrative expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, management, accounting, insurance and meeting expense. Estimated expenditures related to repairs and maintenance, landscaping, trash collection, utilities, water usage, covenant enforcement, website, and snow removal were also included in the budget.

County Treasurer's Fees

County Treasurer's fees have been computed at 1.5% of property tax collections.

Debt Service

Principal and interest payments are provided based on the debt amortization schedule from the Series 2018A Bonds (discussed under Debt and Leases).

**LAKE OF THE ROCKIES METROPOLITAN DISTRICT
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases

Series 2018 Bond Issuance

The District issued Senior Bonds and the Subordinate Bonds on August 1, 2018, in the amounts of \$2,715,000 and \$439,000, respectively. Proceeds from the sale of the Senior Bonds will be used to: (i) pay project costs; (ii) pay the costs of issuance of the Bonds; (iii) fund the Senior Reserve Fund; and (iv) fund capitalized interest. The proceeds of the Subordinate Bonds will be used to pay project costs.

The Senior Bonds bear interest at 5.00%, payable semi-annually on June 1 and December 1, beginning on December 1, 2018. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2021 through December 1, 2047. The Senior Bonds mature on August 1, 2048.

The Subordinate Bonds are issued at the rate of 7.50% per annum and payable annually on December 15, beginning December 15, 2018, from, and to the extent of, Subordinate Pledged Revenue available, if any, and mature on August 1, 2048. The Subordinate Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal prior to the final maturity date. Unpaid interest on the Subordinate Bonds compounds annually on each December 15. In the event any amount due and owing on the Subordinate Bonds remains outstanding on December 16, 2058, such amount shall be deemed discharged and no longer due and outstanding.

The Senior Bonds are also secured by amounts on deposit in the Senior Reserve Fund, which is to be funded from Senior Bond proceeds in the amount of \$209,000, and by amounts on deposit in the Senior Surplus Fund. The Senior Surplus Fund is anticipated to be funded from Senior Pledged Revenue that is not needed to pay debt service on the Senior Bonds in any year, up to the Maximum Surplus Amount of \$271,500. Pursuant to the Senior Indenture, the Senior Surplus Fund is to be maintained for so long as any Senior Bond is outstanding.

The Indentures separate property taxes and specific ownership taxes generated by each mill levy, the Senior Required Mill Levy and the Subordinate Required Mill Levy. Receipts generated from the Senior Required Mill Levy are pledged to the repayment of the Senior Bonds and receipts generated from the Subordinate Required Mill Levy are pledged to the repayment of the Subordinate Bonds.

Pursuant to the Subordinate Indenture, the District has covenanted to impose a Subordinate Required Mill Levy in the amount of 50 mills (subject to adjustment) less the amount of the Senior Required Mill Levy and the Operations Mill Levy, or such lesser mill levy which, after the deduction of the Senior Bond Mill Levy and the Operations Mill Levy, will fund the Subordinate Bond Fund in an amount sufficient to pay all of the principal of and interest on the Subordinate Bonds in full. As a result, the Subordinate Required Mill Levy will equal zero until such time as the Senior Bond Mill Levy together with the Operations Mill Levy equals less than 50 mills (subject to adjustment).

**LAKE OF THE ROCKIES METROPOLITAN DISTRICT
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases (Continued)

Developer Advances

The District has entered into Funding and Reimbursement Agreements with the Developer as follows:

Operation Funding Agreements

On November, 13, 2015, the District and the Century at LOR, LLC (the Developer), entered into that certain First Amended and Restated 2015 Operation Funding Agreement (having an effective date of August 28, 2014), which amended and restated in its entirety a prior 2015 Operation Funding Agreement dated February 4, 2015 (as so restated, the "Restated OFA"). The Restated OFA was amended pursuant to the First Amendment to the First Amended and Restated 2015 Operation Funding Agreement dated November 17, 2016 (and having an effective date of November 17, 2016), and was further amended pursuant to the Second Amendment to First Amended and Restated 2015 Operation Funding Agreement, dated July 17, 2018 with an effective date of March 15, 2018 (as so amended, the "OFA").

Under the OFA, the Developer agreed to advance funds to the District in the amounts necessary for the District to fund its operations and maintenance expenses for fiscal years 2015 through 2022, or alternatively, the Developer may elect to pay such expenses directly. Under the OFA, Advances bear simple interest at the rate of the prime interest rate plus one and one-half points thereon per annum. The Developer terminated the OFA and all prior rights of reimbursement from the District and the corresponding principal and interest amounts due to the Developer have been fully waived.

Facilities Funding and Acquisition Agreements

On July 17, 2018 The District and the Developer entered into a Facilities Funding and Acquisition Agreement (FFAA) effective November 17, 2016, setting forth the rights, obligations, and procedures for the District's acquisition of Public Improvements constructed by the Developer and reimbursement by the District to the Developer for advances made to the District for construction related expenses. Advances bear simple interest at the rate of the prime interest rate plus one and one-half points thereon per annum.

The FFAA supersedes in its entirety a prior reimbursement agreement between the District and BK-LOR, LLC (BK-LOR), being the entity that sold certain property in the District to the Developer. Such prior reimbursement agreement was terminated concurrently with the execution and delivery of the FFAA pursuant to a Termination of Reimbursement Agreement between the District and BK-LOR. All prior rights of reimbursement of BK-LOR from the District and the corresponding principal and interest amounts due to the Developer have been fully waived.

Leases

The District has no capital or operating leases.

**LAKE OF THE ROCKIES METROPOLITAN DISTRICT
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Reserves

Emergency Reserves

The District has provided an Emergency Reserve fund equal to at least 3% of fiscal year spending for 2021, as defined under TABOR.

Debt Service Reserves

The District maintains a Debt Service Reserve as required with the issuance of the 2018A Bonds in the amount of \$209,000.

This information is an integral part of the accompanying budget.


LAKE OF THE ROCKIES METROPOLITAN DISTRICT**
Schedule of Developer Advances

	Balance at December 31, 2019	Additions*	Repayments*	Balance at December 31, 2020*
Developer Advance - Operating	\$ 127,441	\$ 17,521	\$ 144,962	\$ -
Developer Advance - Capital	1,129,527	-	1,129,527	-
Total Advances	<u>1,256,968</u>	<u>17,521</u>	<u>1,274,489</u>	<u>-</u>
Accrued Interest - Operating	20,121	6,745	26,866	-
Accrued Interest - Capital	107,994	57,095	165,089	-
Total Accrued Interest	<u>128,115</u>	<u>63,840</u>	<u>191,955</u>	<u>-</u>
Total Advances and Accrued Interest	<u>\$ 1,385,083</u>	<u>\$ 81,361</u>	<u>\$ 1,466,444</u>	<u>\$ -</u>
	Balance at December 31, 2020*	Additions*	Repayments*	Balance at December 31, 2021*
Developer Advance - Operating	\$ -	\$ -	\$ -	\$ -
Developer Advance - Capital	-	-	-	-
Total Advances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Accrued Interest - Operating	-	-	-	-
Accrued Interest - Capital	-	-	-	-
Total Accrued Interest	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Advances and Accrued Interest	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

*Estimated amounts

** The Developer terminated the OFA and FFAA with the District and waived all outstanding principal and interest amounts.

I, Scott Bogart, hereby certify that I am the duly appointed Secretary of the Lake of the Rockies Metropolitan District, and that the foregoing is a true and correct copy of the budget for the budget year 2021, duly adopted at a meeting of the Board of Directors of the Lake of the Rockies Metropolitan District held on November 20, 2020.

DocuSigned by:

7479E20076A34B1...
Secretary

RESOLUTION NO. 2020-11-04

RESOLUTION TO SET MILL LEVIES

**RESOLUTION OF THE LAKE OF THE ROCKIES METROPOLITAN DISTRICT
LEVYING GENERAL PROPERTY TAXES, PURSUANT TO SECTION 39-1-111,
C.R.S., FOR THE YEAR 2021, TO HELP DEFRAY THE COSTS OF GOVERNMENT
FOR THE 2021 BUDGET YEAR**

A. The Board of Directors of the Lake of the Rockies Metropolitan District (the “**District**”) has adopted an annual budget in accordance with the Local Government Budget Law, on November 20, 2020.

B. The adopted budget is attached as Exhibit A to the Resolution of the Board of Directors of the District to Adopt Budget and Appropriate Sums of Money, and such budget is incorporated herein by this reference.

C. The amount of money necessary to balance the budget for general operating/general fund expenses from property tax revenue is identified in the budget.

D. The amount of money necessary to balance the budget for debt retirement/debt service fund expenses from property tax revenue is identified in the budget.

NOW, THEREFORE, PURSUANT TO SECTIONS 39-1-111(5) and 39-5-128(1), C.R.S., BE IT RESOLVED by the Board of Directors of the Lake of the Rockies Metropolitan District, El Paso County, Colorado, that:

1. For the purpose of meeting all general operating expenses of the District during the 2021 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

2. That for the purpose of meeting all debt retirement expenses of the District during the 2021 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

3. That for the purpose of meeting all contractual obligation expenses of the District during the 2021 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

4. That the Secretary is hereby authorized and directed to immediately certify to the Board of County Commissioners of El Paso County, Colorado, the mill levies for the District as set forth in the District’s Certification of Mill Levies, attached hereto as **Exhibit 1** and incorporated herein by reference, 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.

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE OF RESOLUTION TO SET MILL LEVIES]

RESOLUTION APPROVED AND ADOPTED on November 20, 2020.

**LAKE OF THE ROCKIES
METROPOLITAN DISTRICT**

DocuSigned by:
By: Mike Fenton
00A3281C4DA9448...
President

Attest:

DocuSigned by:
By: Scott Boyd
7479E20076A34B1...
Secretary

EXHIBIT 1

Certification of Tax Levies

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of EL PASO COUNTY, Colorado.

On behalf of the LAKE OF THE ROCKIES METROPOLITAN DISTRICT,
(taxing entity)^A

the BOARD OF DIRECTORS
(governing body)^B

of the LAKE OF THE ROCKIES METROPOLITAN DISTRICT
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 4,909,760 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: \$ 4,909,760 (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: 12/03/2020 for budget/fiscal year 2021.
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	<u>16.493</u> mills	<u>\$ 80,977</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	<u>16.493</u> mills	<u>\$ 80,977</u>
3. General Obligation Bonds and Interest ^J	<u>39.171</u> mills	<u>\$192,320</u>
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]	<u>55.664</u> mills	<u>\$273,297</u>

Contact person: Carrie Bartow Daytime phone: (719) 635-0330

Signed:  Title: Accountant for the District

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:	Infrastructure
	Series:	Series 2018A General Obligation Limited Tax Bonds
	Date of Issue:	August 1, 2018
	Coupon Rate:	5.000%
	Maturity Date:	August 1, 2048
	Levy:	39.171
	Revenue:	\$192,320
2.	Purpose of Issue:	Infrastructure
	Series:	Series 2018B Subordinate General Obligation Limited Tax Bonds
	Date of Issue:	August 1, 2018
	Coupon Rate:	7.50%
	Maturity Date:	August 1, 2048
	Levy:	0.000
	Revenue:	\$0

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 separately report all bond and contractual obligations per 32-1-1603, C.R.S.

I, Scott Bogart, hereby certify that I am the duly appointed Secretary of the Lake of the Rockies Metropolitan District, and that the foregoing is a true and correct copy of the Certification of Mill Levies for the budget year 2021, duly adopted at a meeting of the Board of Directors of the Lake of the Rockies Metropolitan District held on November 20, 2020.

DocuSigned by:

7479E20076A34B1...
Secretary

THE DAILY TRANSCRIPT

This space for filing stamp only

2652 4TH AVE 2ND FL, SAN DIEGO, CA 92103
Telephone (619) 232-3486 / Fax (619) 270-2503

KIMBRIE GARCIA
CLIFTON LARSON ALLEN LLP
111 SO. TEJON ST. #705
COLORADO SPRINGS, CO - 80903

PROOF OF PUBLICATION

(2015.5 C.C.P.)

State of California)
County of SAN DIEGO) ss

Notice Type: HRG - NOTICE OF HEARING

Ad Description:
NOTICE AS TO PROPOSED 2021 BUDGET

I am a citizen of the United States and a resident of the State of California; I am over the age of eighteen years, and not a party to or interested in the above entitled matter. I am the principal clerk of the printer and publisher of THE DAILY TRANSCRIPT, a newspaper published in the English language in the City of SAN DIEGO, County of SAN DIEGO and adjudged a newspaper of general circulation as defined by the laws of the State of California by the Superior Court of the County of SAN DIEGO, State of California, under date of 05/13/2003, Case No. GIC808715. That the notice, of which the annexed is a printed copy, has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to-wit:

10/23/2020

Executed on: 10/23/2020
At Los Angeles, California

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

Handwritten signature of Robert Marklen

Signature



Email

SD #: 3409220

NOTICE AS TO PROPOSED 2021 BUDGET AND AMENDMENT OF 2020 BUDGET LAKE OF THE ROCKIES METROPOLITAN DISTRICT EL PASO COUNTY, COLORADO

NOTICE IS HEREBY GIVEN, pursuant to Sections 29-1-108 and 109, C.R.S., that a proposed budget has been submitted to the Board of Directors of the Lake of the Rockies Metropolitan District (the "District") for the ensuing year of 2021. The necessity may also arise for the amendment of the 2020 budget of the District. Copies of the proposed 2021 budget and 2020 amended budget (if appropriate) are on file in the office of the District's Accountant, CliftonLarsonAllen, LLP, where same are available for public inspection. Such proposed 2021 budget and 2020 amended budget will be considered at a special meeting to be held November 20, 2020 at 12:00 p.m. at the Chamber of Commerce 166 2nd Street, Monument, Colorado. Any interested elector within the District may, at any time prior to the final adoption of the 2021 budget and 2020 amended budget, inspect the 2021 budget and 2020 amended budget and file or register any objections thereto.

DUE TO CONCERNS REGARDING THE SPREAD OF THE CORONAVIRUS (COVID-19) AND THE BENEFITS TO THE CONTROL OF THE SPREAD OF THE VIRUS BY LIMITING IN-PERSON CONTACT, THIS DISTRICT'S BOARD MEETING WILL BE ACCESSIBLE BY CONFERENCE CALL. THERE WILL BE ONE PERSON PRESENT AT THE PHYSICAL LOCATION POSTED ON THIS NOTICE and all other attendees will be via telephone.

You can attend the meeting in any of the following ways:

- 1. To attend via Videoconference, e-mail Kimbrie.Garcia@claconnect.com to obtain a link to the videoconference.
2. To attend via telephone, dial 720-547-5281 and enter the following additional information:
Conference ID: 659 853 253#
LAKE OF THE ROCKIES
METROPOLITAN DISTRICT
/s/ Josh Miller, District Manager
10/23/20

SD-3409220#