

# HOMESTEAD HILLS METROPOLITAN DISTRICT

## 2022 ANNUAL REPORT

Pursuant to Section VII of the Service Plan for Homestead Hills Metropolitan District, (the “District”) and pursuant to §32-1-207(3)(c), C.R.S., the District is submit an annual report with the City Clerk of the City of Thornton, the Division of Local Government, the State Auditor, and the Adams County Clerk and Recorder. For the year ending December 31, 2022, the District makes the following report:

**1. Boundary changes made or proposed to the District’s boundaries as of December 31 of the prior year.**

There were no changes or proposed changes to the boundaries of the District in 2022.

**2. Intergovernmental Agreements with other governmental entities either entered into or proposed as of December 31 of the prior year.**

The District did not enter into any Intergovernmental Agreements in 2022.

**3. Copies of the District’s rules and regulations, if any, as of December 31 of the prior year.**

The District has not adopted rules or regulations as of December 31, 2022.

**4. A summary of any litigation which involves the District Public Improvements as of December 31 of the prior year.**

To our actual knowledge, based on review of the court records in Adams County, Colorado and the Public Access to Court Electronic Records (PACER), there is no litigation involving the District’s Public Improvements as of December 31, 2022.

**5. Status of the District’s construction of the Public Improvements as of December 31 of the prior year.**

The District did not undertake the construction of any Public Improvements as of December 31 of the prior year. All public improvements are constructed by the developer within the District.

**6. A list of all facilities and improvements constructed by the District that has been dedicated to and accepted by the City as of December 31 of the prior year.**

The District did not construct any facilities or improvements as of December 31 of the prior year. All public improvements are constructed by the developer within the District and the developer is responsible for dedication of facilities to the City.

**7. The assessed valuation of the District for the current year.**

The final assessed valuation for 2022 is \$2,946,670.

**8. Current year budget including a description of the Public Improvements to be constructed in such year.**

A copy of the 2023 budget for the District is attached as **Exhibit A**.

**9. Audit of the District's financial statements, for the year ending December 31 of the previous year, prepared in accordance with generally accepted accounting principles or audit exemption, if applicable.**

The District's 2022 audit is currently underway and will be provided as a supplement once completed.

**10. Notice of any uncured events of default by the District, which continue beyond a ninety (90) day period, under any Debt instrument.**

The District is not aware of any uncured events of default by the District.

**11. Any inability of the District to pay its obligations as they come due, in accordance with the terms of such obligations, which continue beyond a ninety (90) day period.**

The District is not aware of any inability to pay its obligations as they become due, in accordance with the terms of such obligations, which continue beyond a ninety (90) day period.

**EXHIBIT A  
(2023 Budget)**

**RESOLUTION**  
**ADOPTING BUDGET, APPROPRIATING FUNDS AND CERTIFYING MILL LEVIES**  
**FOR THE CALENDAR YEAR 2023**

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The Board of Directors of the Homestead Hills Metropolitan District (the “**Board**”), City of Thornton, Adams County, Colorado (the “**District**”), held a regular meeting, via teleconference on November 18, 2022, at the hour of 10:00 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 2023 BUDGET

# AFFIDAVIT

**Invoice #:** A40044208  
**Account #:** A30032496  
**Invoice Date:** 11/17/2022

**BILL TO:**

WHITE BEAR ANKELE TANAKA & WALDRON  
BRIAN BOWERS  
2154 E COMMON AVE STE 2000  
CENTENNIAL, COLORADO 80122

**ADVERTISER:**

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**PUBLICATION:** Denver Daily Journal Legal

STATE OF COLORADO  
COUNTY OF DENVER

I, CYNTHIA SERRANO, OF THE COUNTY OF MERCER, STATE OF NEW JERSEY, HAVING DULY BEEN SWORN, DEPOSES AND SAYS:

I AM NOW AND AT ALL TIMES HEREINAFTER MENTIONED A CITIZEN OF THE UNITED STATES OF AMERICA, OVER TWENTY-ONE YEARS OF AGE, AND COMPETENT TO BE A WITNESS ON THE HEARING OF THE MATTERS MENTIONED IN THE ANNEXED PRINTED COPY NOTICE HEREINAFTER SET FORTH; I HAVE NO INTEREST WHATSOEVER IN ANY OF THE SAID MATTERS; I AM NOW AND DURING ALL TIMES EMBRACED IN THE PUBLICATION HERIN MENTIONED AS THE CHIEF CLERK OF THE NEWSPAPER, A NEWSPAPER OF GENERAL CIRCULATION PRINTED AND PUBLISHED IN SAID COUNTY; AS CLERK DURING ALL TIMES MENTIONED IN THE AFFIDAVIT I HAVE HAD AND STILL HAVE CHARGE OF ALL ADVERTISEMENT AND NOTICES PUBLISHED IN SAID NEWSPAPER; THAT SAID LEGAL NOTICE OF WHICH THE ANNEXED IS A TRUE PRODUCTION COPY OF THE PRINTED PAGE IN WHICH THE ADVERTISEMENT WAS PUBLISHED IN THE ABOVE NAMED NEWSPAPER ON THE FOLLOWING DAYS TO WIT:

11/16/22; NOTICE OF PUBLIC HEARING ON THE AMENDED 2022 BUDGET AND NOTICE OF PUBLIC HEARING ON THE PROPOSED 2023 BUDGET; HOMESTEAD HILLS METROPOLITAN DISTRICT

I CERTIFY (OR DECLARE) UNDER PENALTY OF PERJURY THAT THE FOREGOING IS TRUE AND CORRECT.

SIGNED,

*Cynthia Serrano*

CLERK

# PUBLIC NOTICES

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## FIRST PUBLICATION

### PANORAMA METROPOLITAN DISTRICT

809

#### NOTICE CONCERNING 2022 BUDGET AMENDMENT AND PROPOSED 2023 BUDGET

**NOTICE IS HEREBY GIVEN** to all interested parties that the necessity has arisen to amend the Panorama Metropolitan District ("District") 2022 Budget and that a proposed 2023 Budget has been submitted to the Board of Directors of the District; and that copies of the proposed Amended 2022 Budget and 2023 Budget have been filed at the District's offices, 141 Union Boulevard, Suite 150, Lakewood, Colorado, where the same is open for public inspection; and that adoption of Resolutions Amending the 2022 Budget and Adopting the 2023 Budget will be considered at a public hearing of the Board of Directors of the District to be held on Tuesday, December 6, 2022, at 9:30 a.m. This District Board meeting will be held by Zoom. If you would like to attend this meeting, please use the information below:

Join Zoom Meeting  
<https://us02web.zoom.us/j/81440031784?pwd=YzBHTVZ3VHhaYTZCZmUrTXRCYkZldz09>

Meeting ID: 814 4003 1784  
Passcode: 165105  
One tap mobile  
+17193594580, 81440031784# US  
+12532158782, 81440031784# US (Tacoma)

Any elector within the District may, at any time prior to the final adoption of the Resolutions to Amend the 2022 Budgets and adopt the 2023 Budgets, inspect and file or register any objections thereto.

PANORAMA METROPOLITAN DISTRICT

By: /s/ Steve Beck  
Secretary

Published: November 16, 2022 in The Daily Journal

#### NOTICE OF PUBLIC HEARING ON THE AMENDED 2022 BUDGET AND NOTICE OF PUBLIC HEARING ON THE PROPOSED 2023 BUDGET

812

**NOTICE IS HEREBY GIVEN** that the Board of Directors (the "Board") of the HOMESTEAD HILLS METROPOLITAN DISTRICT (the "District"), will hold a meeting at via teleconference on NOVEMBER 18, 2022 at 10:00 A.M., for the purpose of conducting such business as may come before the Board including a public hearing on the 2023 proposed budget (the "Proposed Budget"). The necessity may also arise for an amendment to the 2022 budget (the "Amended Budget"). This meeting can be joined using the following teleconference information:

<https://us06web.zoom.us/j/81929720313?pwd=NFBpaUHQXpRWGlvUmhTQXVldE5xUT09>

Meeting ID: 819 2972 0313; Passcode: 526959; One tap mobile: 1(720)707-2699 or 1(719)359-4580

**NOTICE IS FURTHER GIVEN** that the Proposed Budget and Amended Budget (if applicable) have been submitted to the District. A copy of the Proposed Budget and Amended Budget are on file in the office of CliftonLarsonAllen, LLP, 8390 E. Crescent Pkwy #300, Englewood, CO 80111, where the same are open for public inspection.

Any interested elector of the District may file any objections to the Proposed Budget and Amended Budget at any time prior to final adoption of the Proposed Budget or the Amended Budget by the Board. This meeting is open to the public and the agenda for any meeting may be obtained by calling (303) 858-1800.

BY ORDER OF THE BOARD OF DIRECTORS:

**HOMESTEAD HILLS METROPOLITAN DISTRICT**, a quasi-municipal corporation and political subdivision of the State of Colorado

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

Published: November 16, 2022 in The Daily Journal

BEFORE THE OIL AND GAS CONSERVATION COMMISSION OF THE STATE OF COLORADO

811

CAUSE NO. 407

DOCKET NO. 220800214

TYPE: POOLING

IN THE MATTER OF THE PROMULGATION AND ESTABLISHMENT OF FIELD RULES TO GOVERN OPERATIONS FOR THE NIOBRARA AND CODELL FORMATIONS, **WATTENBERG FIELD**, WELD COUNTY, COLORADO

#### NOTICE OF HEARING

Bayswater Exploration & Production, LLC. (Operator No. 10261) ("Bayswater" or "Applicant") filed an Application with the Commission for an order to pool all oil and gas ("mineral") interests in lands identified below. This Notice was sent to you because the Applicant believes you may own mineral interests that will be pooled if the Commission approves the Application. Pooling is the consolidation and combining of mineral interests so that all mineral interest owners receive payment for their just and equitable share of produced oil and gas. For more information about the Commission's pooling process, please see a brochure on the Commission's website here: <https://drive.google.com/file/d/14QaK0JG6G35gvgwq5pp5t1psFOFD10M/view>

#### APPLICATION LANDS

**Township 7 North, Range 65 West, 6th P.M.**

Section 33: S½

Section 34: S½

**Township 7 North, Range 65 West, 6th P.M.**

Section 33: S½N½, N½ S½

Section 34: S½N½, N½S½

**Township 6 North, Range 65 West, 6th P.M.**

Section 3: N½ N½

Section 4: N½ N½

**Township 7 North, Range 65 West, 6th P.M.**

Section 33: S½ S½

Section 34: S½ S½

#### DATE, TIME, AND LOCATION OF HEARING (Subject to change)

The assigned Hearing Officer will hold a hearing only on the above referenced docket number at the following date, time, and location:

Date: January 18, 2023

Time: 9:00 a.m.

Place: Colorado Oil and Gas Conservation Commission  
The Chancery Building  
1120 Lincoln Street, Suite 801  
Denver, CO 80203

#### PETITIONS

#### DEADLINE FOR PETITIONS BY AFFECTED PERSONS: December 19, 2022

Any interested party who wishes to participate formally must file a written petition with the Commission no later than the deadline provided above. Please see Commission Rule 507 at <https://cogcc.state.co.us>, under "Regulation," then select "Rules." Please note that, under Commission Rule 510.1, the deadline for petitions may only be continued for good cause, even if the hearing is continued beyond the date that is stated above. Pursuant to Commission Rule 507, if you do not file a proper petition, the Hearing Officer will not know that you wish to formally participate in this matter and the date and time of the hearing may change without additional notice to you. Parties wishing to file a petition must register online at <https://otico.hylandcloud.com/DNRCOGExternalAccess/Account/Login.aspx> and select "Request Access to Site." Please refer to our "eFiling Users Guidance Book" at [https://cogcc.state.co.us/documents/reg/Hearings/External\\_Filing\\_System\\_Users\\_Guidebook\\_20201109.pdf](https://cogcc.state.co.us/documents/reg/Hearings/External_Filing_System_Users_Guidebook_20201109.pdf) for more information. Under Commission Rule 508, if no petition is filed, the Application may be approved administratively without a formal hearing.

Any Affected Person who files a petition must be able to participate in a prehearing conference during the week of **December 19, 2022**, if a prehearing conference is requested by the Applicant or by any person who has filed a petition.

#### ADDITIONAL INFORMATION

For more information, you may review the Application, which was sent to you with this Notice. You may also contact the Applicant at the phone number or email address listed below.

In accordance with the Americans with Disabilities Act, if any party requires special accommodations as a result of a disability for this hearing, please contact Margaret Humecki at [Cogcc.Hearings.Unit@state.co.us](mailto:Cogcc.Hearings.Unit@state.co.us), prior to the hearing and arrangements will be made.

OIL AND GAS CONSERVATION COMMISSION OF THE STATE OF COLORADO

By \_\_\_\_\_

Mimi Larsen, Commission Secretary

Dated: November 9, 2022  
Bayswater Exploration & Production, LLC  
c/o Joseph C. Pierzchala  
Welborn Sullivan Meck & Tooley, P.C.  
1401 Lawrence Street, Suite 1800  
Denver, CO 80202  
303-830-2500  
[jpierzchala@wsmtlaw.com](mailto:jpierzchala@wsmtlaw.com)

Published: November 16, 2022 in The Daily Journal

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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 2023. 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 2023 budget year, there is hereby levied a tax of 53.997 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 2023 budget year, there is hereby levied a tax of 51.764 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 2023 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 2023 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 Adams 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 18, 2022.

**DISTRICT:**

**HOMESTEAD HILLS METROPOLITAN DISTRICT**, a quasi-municipal corporation and political subdivision of the State of Colorado

By:   
Scott Bustos (Nov 16, 2022 13:51 MST)  
Officer of the District

Attest:

By: JOSEPH MONAHAN  
JOSEPH MONAHAN (Jan 5, 2023 16:26 MST)

**APPROVED AS TO FORM:**

WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys at Law

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

STATE OF COLORADO  
COUNTY OF ADAMS  
HOMESTEAD HILLS METROPOLITAN DISTRICT

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 Friday, November 18, 2022, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 5th day of January, 2023.

JOSEPH MONAHAN  
JOSEPH MONAHAN (Jan 5, 2023 16:26 MST)

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

**HOMESTEAD HILLS METROPOLITAN DISTRICT**  
**ANNUAL BUDGET**  
**FOR YEAR ENDING DECEMBER 31, 2023**

**HOMESTEAD HILLS METROPOLITAN DISTRICT  
SUMMARY  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

1/17/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ 476,058	\$ 212,330	\$ 292,377
REVENUES			
Property Taxes	186,032	309,569	311,642
Specific ownership tax	3,000	10,000	21,815
Developer contribution	50,000	25,000	-
Interest Income	250	1,088	3,150
Maintenance Fees	26,009	28,000	28,000
Other Revenue	13,975	-	-
Total revenues	<u>279,266</u>	<u>373,657</u>	<u>364,607</u>
TRANSFERS IN	<u>40,000</u>	<u>103,741</u>	<u>113,260</u>
Total funds available	<u>795,324</u>	<u>689,728</u>	<u>770,244</u>
EXPENDITURES			
General Fund	51,951	44,365	49,810
Special Revenue Fund	132,518	128,800	145,000
Debt Service Fund	119,469	120,445	140,288
Capital Projects Fund	239,056	-	-
Total expenditures	<u>542,994</u>	<u>293,610</u>	<u>335,098</u>
TRANSFERS OUT	<u>40,000</u>	<u>103,741</u>	<u>113,260</u>
Total expenditures and transfers out requiring appropriation	<u>582,994</u>	<u>397,351</u>	<u>448,358</u>
ENDING FUND BALANCES	<u>\$ 212,330</u>	<u>\$ 292,377</u>	<u>\$ 321,886</u>
EMERGENCY RESERVE	\$ 939	\$ 4,600	\$ 5,100
MAINTENANCE RESERVE	-	10,400	6,660
DEBT RESERVE FUND	170,750	170,750	170,750
SURPLUS FUND	58,140	106,627	132,547
TOTAL RESERVE	<u>\$ 229,829</u>	<u>\$ 292,377</u>	<u>\$ 315,057</u>

No assurance provided. See summary of significant assumptions.

**HOMESTEAD HILLS METROPOLITAN DISTRICT  
PROPERTY TAX SUMMARY INFORMATION  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

1/17/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
<b>ASSESSED VALUATION</b>			
Residential	\$ 1,090,340	\$ 2,499,090	\$ -
Residential - Single Family	-	-	2,891,110
Commercial	10,640	-	-
State assessed	-	160	540
Vacant land	658,010	394,690	290
Personal	-	33,130	54,730
Certified Assessed Value	<u>\$ 1,758,990</u>	<u>\$ 2,927,070</u>	<u>\$ 2,946,670</u>
<b>MILL LEVY</b>			
General	50.097	50.097	53.997
Debt Service	55.664	55.664	51.764
Total mill levy	<u>105.761</u>	<u>105.761</u>	<u>105.761</u>
<b>PROPERTY TAXES</b>			
General	\$ 88,120	\$ 146,637	\$ 159,111
Debt Service	97,912	162,932	152,531
Levied property taxes	<u>186,032</u>	<u>309,569</u>	<u>311,642</u>
Budgeted property taxes	<u>\$ 186,032</u>	<u>\$ 309,569</u>	<u>\$ 311,642</u>
<b>BUDGETED PROPERTY TAXES</b>			
General	<b>\$ 88,120</b>	<b>\$ 146,637</b>	<b>\$ 159,111</b>
Debt Service	<b>97,912</b>	<b>162,932</b>	<b>152,531</b>
	<u><b>\$ 186,032</b></u>	<u><b>\$ 309,569</b></u>	<u><b>\$ 311,642</b></u>

No assurance provided. See summary of significant assumptions.

**HOMESTEAD HILLS METROPOLITAN DISTRICT  
GENERAL FUND  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

1/17/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 3,248	\$ 939	\$ 4,600
REVENUES			
Property taxes	88,120	146,637	159,111
Specific ownership tax	1,421	5,000	11,138
Interest income	101	88	150
Total revenues	<u>89,642</u>	<u>151,725</u>	<u>170,399</u>
Total funds available	<u>92,890</u>	<u>152,664</u>	<u>174,999</u>
EXPENDITURES			
Administrative			
Accounting	21,319	22,000	23,000
Auditing	4,350	4,500	5,450
County Treasurer's fee	1,323	2,200	2,387
Dues and licenses	1,290	304	1,000
Insurance and bonds	2,630	2,380	3,000
Legal services	19,457	10,000	11,000
Election expense	232	2,731	3,000
Miscellaneous	1,350	250	973
Total expenditures	<u>51,951</u>	<u>44,365</u>	<u>49,810</u>
TRANSFERS OUT			
Transfers to other fund	<u>40,000</u>	<u>103,699</u>	<u>113,260</u>
Total expenditures and transfers out requiring appropriation	<u>91,951</u>	<u>148,064</u>	<u>163,070</u>
ENDING FUND BALANCE	<u>\$ 939</u>	<u>\$ 4,600</u>	<u>\$ 11,929</u>
EMERGENCY RESERVE	<u>\$ 939</u>	<u>\$ 4,600</u>	<u>\$ 5,100</u>
TOTAL RESERVE	<u>\$ 939</u>	<u>\$ 4,600</u>	<u>\$ 5,100</u>

No assurance provided. See summary of significant assumptions.

**HOMESTEAD HILLS METROPOLITAN DISTRICT  
SPECIAL REVENUE FUND  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

1/17/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	(15,007)	\$ (17,541)	\$ 10,400
REVENUES			
Developer contribution	50,000	25,000	-
Maintenance fees	26,009	28,000	28,000
Other revenue	13,975	-	-
Total revenues	<u>89,984</u>	<u>53,000</u>	<u>28,000</u>
TRANSFERS IN			
Transfers from other funds	<u>40,000</u>	<u>103,741</u>	<u>113,260</u>
Total funds available	<u>114,977</u>	<u>139,200</u>	<u>151,660</u>
EXPENDITURES			
Operations			
Billing	11,896	8,000	9,000
Electricity	554	800	1,000
Fertilization/weed/insect	1,630	5,000	5,500
Landscaping	28,733	35,000	35,000
District management	10,547	10,000	10,000
Miscellaneous	691	-	2,500
Repairs and maintenance	6,806	5,000	10,000
Snow removal	33,898	40,000	42,000
Water	37,763	25,000	30,000
Total expenditures	<u>132,518</u>	<u>128,800</u>	<u>145,000</u>
Total expenditures and transfers out requiring appropriation	<u>132,518</u>	<u>128,800</u>	<u>145,000</u>
ENDING FUND BALANCE	<u>\$ (17,541)</u>	<u>\$ 10,400</u>	<u>\$ 6,660</u>
MAINTENANCE RESERVE	<u>\$ -</u>	<u>\$ 10,400</u>	<u>\$ 6,660</u>
TOTAL RESERVE	<u>\$ -</u>	<u>\$ 10,400</u>	<u>\$ 6,660</u>

No assurance provided. See summary of significant assumptions.

**HOMESTEAD HILLS METROPOLITAN DISTRICT  
DEBT SERVICE FUND  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

1/17/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 248,735	\$ 228,890	\$ 277,377
<b>REVENUES</b>			
Property taxes	97,912	162,932	152,531
Specific ownership tax	1,579	5,000	10,677
Interest income	133	1,000	3,000
Total revenues	99,624	168,932	166,208
Total funds available	348,359	397,822	443,585
<b>EXPENDITURES</b>			
County Treasurer's fee	1,469	2,445	2,288
Paying agent fees	7,000	7,000	7,000
Bond Principal	-	-	20,000
Bond interest - Series 2020A	111,000	111,000	111,000
Total expenditures	119,469	120,445	140,288
Total expenditures and transfers out requiring appropriation	119,469	120,445	140,288
ENDING FUND BALANCE	\$ 228,890	\$ 277,377	\$ 303,297
DEBT RESERVE FUND	\$ 170,750	\$ 170,750	\$ 170,750
SURPLUS FUND	58,140	106,627	132,547
TOTAL RESERVE	\$ 228,890	\$ 277,377	\$ 303,297

No assurance provided. See summary of significant assumptions.

**HOMESTEAD HILLS METROPOLITAN DISTRICT  
CAPITAL PROJECTS FUND  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

1/17/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	239,082	\$ 42	\$ -
REVENUES			
Interest income	16	-	-
Total revenues	<u>16</u>	<u>-</u>	<u>-</u>
Total funds available	<u>239,098</u>	<u>42</u>	<u>-</u>
EXPENDITURES			
General and administrative			
Repay developer advance	239,056	-	-
Total expenditures	<u>239,056</u>	<u>-</u>	<u>-</u>
TRANSFERS OUT			
Transfers to other fund	<u>-</u>	<u>42</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>239,056</u>	<u>42</u>	<u>-</u>
ENDING FUND BALANCE	<u>\$ 42</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**HOMESTEAD HILLS METROPOLITAN DISTRICT  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

The District’s service area is located entirely within the Town of Thornton, Adams County, Colorado.

The District was established to provide financing for the construction, installation, and operation of public improvements, including streets and safety controls, water, storm and sanitary sewer, and park and recreation facilities, primarily for single family residential development within the District.

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**

**Developer Advances**

Developer advances are recorded as revenue for budget purposes with an obligation for future repayment when the District is financially able to reimburse the Developer from bond proceeds and other legally available revenue.

The estimated balance of Developer advances as of December 31, 2022 are:

	<b>Balance December 31, 2021</b>	<b>Additions</b>	<b>Retirements</b>	<b>Est. Balance December 31, 2022</b>
Developer Advances - Operating				
Principal	141,123	-	-	141,123
Interest	17,115	9,173	-	26,288
Developer Advances - Capital				
Principal	882,102	-	-	882,102
Interest	24,348	57,337	-	81,685
	<b>\$ 1,064,688</b>	<b>\$ 9,173</b>	<b>\$ -</b>	<b>\$ 1,131,198</b>

**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 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.

**HOMESTEAD HILLS METROPOLITAN DISTRICT  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues (Continued)**

**Property Taxes (continued)**

Senate Bill 21-293 among other things, designates multi-family residential real property (defined generally, as property that is a multi-structure of four or more units) as a new subclass of residential real property. For tax collection year 2023, the assessment rate for single family residential property decreases to 6.95% from 7.15%. The rate for multifamily residential property, the newly created subclass, decreases to 6.80% from 7.15%. Agricultural and renewable energy production property decreases to 26.40% from 29.00%. Producing oil and gas remains at 87.50%. All other nonresidential property stays at 29.00%.

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.

**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 7.00% of the property taxes collected.

**Net Investment Income**

Interest earned on the District's available funds has been estimated based current and forecasted yields.

**Expenditures**

**County Treasurer's Fees**

County Treasurer's fees have been computed at 1.50% of property tax collections.

**General and Administrative Expenditures**

General and administrative expenditures have been provided based on estimates of the District's Board of Directors and consultants and include the services necessary to maintain the District's administrative viability such as legal, accounting, managerial, insurance, meeting expense, and other administrative expenses.

**Debt Service**

Principal and interest payments are provided based on the debt amortization schedule from the anticipated Series 2020A and Series 2020B Bonds (discussed under Debt and Leases).

**HOMESTEAD HILLS METROPOLITAN DISTRICT  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debt and Leases**

The District issued the Bonds on March 11, 2020, in the par amounts of \$2,220,000 for the Senior Bonds and \$722,000 for the Subordinate Bonds. Proceeds from the sale of the Bonds were used to finance or reimburse a portion of the costs of acquiring, constructing, and/or installing certain public infrastructure to serve the development. A portion of the proceeds of the Senior Bonds were also used to fund: (a) the Reserve Fund, (b) capitalized interest on the Senior Bonds, and (c) costs of issuing the Bonds.

The Senior Bonds bear interest at 5.000% per annum (4.2427% yield) and are payable semiannually on June 1 and December 1, beginning on June 1, 2020. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2023. The Senior Bonds mature on December 1, 2050.

The Subordinate Bonds bear interest at the rate of 8.000% per annum and are payable annually on December 15, beginning December 15, 2020 from, and to the extent of, Subordinate Pledged Revenue available, if any, and mature on December 15, 2050. The Subordinate Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest prior to the final maturity date. Unpaid interest on the Subordinate Bonds compounds annually on each December 15.

To the extent principal of any Senior Bonds is not paid when due, such principal shall remain outstanding until paid, subject to discharge of the Senior Bonds on December 1, 2059 (the Senior Bonds Discharge Date). To the extent interest on any Senior Bonds is not paid when due, such interest shall compound semiannually on each interest payment date, at the rate then borne by the Senior Bond. All of the Subordinate Bonds and interest thereon are to be deemed to be discharged after the application of all available Subordinate Pledged Revenue on December 15, 2059 (the "Subordinate Bonds Discharge Date"), regardless of the amount of principal and interest paid prior to the Subordinate Bonds Discharge Date.

In the event any amounts due on the Senior Bonds remain unpaid after the application of all Senior Pledged Revenue available on the Senior Bonds Discharge Date, such amounts shall be deemed discharged and shall no longer be due and outstanding, regardless of the amount of principal and interest paid prior to the Senior Bonds Discharge Date.

The Senior and Subordinate Bonds are subject to redemption prior to maturity, at the option of the District, on March 1, 2025, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium. The Senior and Subordinate Bonds are secured by Senior Pledged Revenue which means: (a) all Senior Property Tax Revenues; (b) all Senior Specific Ownership Tax Revenues; (c) all Capital Fees, if any; and (d) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Senior Bond Fund.

Prior to the Conversion Date, the District is required to impose a Senior Required Mill Levy on all taxable property of the District each year in an amount necessary to generate Senior Property Tax Revenues sufficient to pay the principal of, premium if any, and interest on the Senior Bonds when due (less any amount then on deposit in the Senior Bond Fund and, solely to the extent provided in the Senior Indenture, the Surplus Fund and the Reserve Fund, respectively) and to replenish the Reserve Fund to the Reserve Requirement, but not in excess of 50 mills (subject to adjustment for changes in the method of calculating assessed valuation after January 1, 2004).

**HOMESTEAD HILLS METROPOLITAN DISTRICT  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debt and Leases (Continued)**

The District is required to impose a Subordinate Required Mill Levy upon all taxable property in the District each year in an amount equal to (i) 50 mills (as adjusted) less the Senior Obligation Mill Levy, or (ii) such lesser amount that will generate Subordinate Property Tax Revenues which, when combined with moneys then on deposit in the Subordinate Bond Fund, will pay the Subordinate Bonds in full in the year such levy is collected. Senior Obligation Mill Levy means the sum of the Senior Required Mill Levy and any other ad valorem property tax levy required to be imposed by the District for the payment of Senior Obligations.

For so long as the Surplus Fund is required to be maintained and the amount on deposit therein is less than the Maximum Surplus Amount, the Senior Required Mill Levy is to be equal to 50 mills (subject to adjustment), or such lesser amount that will generate Senior Property Tax Revenues (A) sufficient to pay the principal of, premium if any, and interest on the Senior Bonds when due, to replenish the Reserve Fund to the Reserve Requirement, and to fully fund the Surplus Fund to the Maximum Surplus Amount, or (B) which, when combined with moneys then on deposit in the Senior Bond Fund, the Surplus Fund, and the Reserve Fund, will pay the Senior Bonds in full in the year such levy is collected.

On and after the Conversion Date, an ad valorem mill levy is to be imposed upon all taxable property of the District each year in an amount necessary (without limitation as to rate) to generate Senior Property Tax Revenues sufficient to pay the principal of, premium if any, and interest on the Senior Bonds when due (less any amounts then on deposit in the Senior Bond Fund and, solely as provided in the Senior Indenture, the Reserve Fund) and to replenish the Reserve Fund to the Reserve Requirement. On and after the Conversion Date, the definition of "Senior Required Mill Levy" shall be determined exclusively by this paragraph regardless of any subsequent increase in the Debt to Assessed Ratio.

The Conversion Date is the first date on which all of the following conditions are met: (a) the Debt to Assessed Ratio is 50% or less; (b) no amounts of principal or interest on the Senior Bonds are due but unpaid; and (c) the amount on deposit in the Reserve Fund is not less than the Reserve Requirement. Debt means the aggregate outstanding principal amount of the Senior Bonds, any Parity Bonds, the Subordinate Bonds, and any other obligation for which the District is obligated to impose ad valorem taxes and/or collect fee revenue.

The Senior Bonds are additionally secured by capitalized interest which was funded from proceeds of the Senior Bonds in the amount of \$135,667, by the Reserve Fund which was funded from proceeds of the Senior Bonds in the amount of the Reserve Requirement of \$170,750, and by amounts, if any, in the Surplus Fund.

Prior to the Conversion Date, Senior Pledged Revenue that is not needed to pay debt service on the Senior Bonds in any year will be deposited to and held in the Surplus Fund, up to the Maximum Surplus Amount of \$222,000. The Surplus Fund is to be maintained until the Conversion Date, at which time such fund will be terminated and all amounts on deposit are to be released to the District for application to any lawful purpose. Pursuant to the Subordinate Indenture, amounts released from the Surplus Fund are pledged to the repayment of the Subordinate Bonds.

**HOMESTEAD HILLS METROPOLITAN DISTRICT  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debt and Leases (Continued)**

The estimated balance of the Subordinate Bonds as of December 31, 2022 are:

	<u>Balance December 31, 2021</u>	<u>Additions</u>	<u>Retirements</u>	<u>Est. Balance December 31, 2022</u>
Subordinate Limited Tax General Obligation Bonds				
Principal	\$ 722,000	\$ -	\$ -	\$ 722,000
Interest	108,180	66,414	-	174,594
	<u>\$ 830,180</u>	<u>\$ 66,414</u>	<u>\$ -</u>	<u>\$ 896,594</u>

The District has no operating or capital leases.

**Reserves**

**Emergency Reserve**

The District has provided for an Emergency Reserve fund equal to at least 3.00% of fiscal year spending for 2023 as defined under TABOR.

**Debt Service Reserves**

The District maintains a Debt Service Reserve of \$170,750 as required with the issuance of the Series 2020 Bonds.

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

**HOMESTEAD HILLS METROPOLITAN DISTRICT  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

<b>Bonds and Interest Maturing in the Year Ending December 31,</b>	<b>General Obligation Bonds, Series 2020A</b>		
	<b>Initial Funded Amount</b>		
	<b>\$2,220,000</b>		
	<b>Interest Rate of 5.00%</b>		
	<b>Payable June 1 and December 1</b>		
	<b>Principal Due December 1</b>		
	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2023	\$ 20,000	\$ 111,000	\$ 131,000
2024	20,000	110,000	130,000
2025	25,000	109,000	134,000
2026	25,000	107,750	132,750
2027	30,000	106,500	136,500
2028	35,000	105,000	140,000
2029	35,000	103,250	138,250
2030	40,000	101,500	141,500
2031	40,000	99,500	139,500
2032	45,000	97,500	142,500
2033	50,000	95,250	145,250
2034	55,000	92,750	147,750
2035	55,000	90,000	145,000
2036	65,000	87,250	152,250
2037	65,000	84,000	149,000
2038	75,000	80,750	155,750
2039	75,000	77,000	152,000
2040	85,000	73,250	158,250
2041	90,000	69,000	159,000
2042	95,000	64,500	159,500
2043	100,000	59,750	159,750
2044	110,000	54,750	164,750
2045	115,000	49,250	164,250
2046	125,000	43,500	168,500
2047	130,000	37,250	167,250
2048	140,000	30,750	170,750
2049	145,000	23,750	168,750
2050	330,000	16,500	346,500
	<b>\$ 2,220,000</b>	<b>\$ 2,180,250</b>	<b>\$ 4,400,250</b>