

RESOLUTION NO. 2023-12-01

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

The Board of Directors of 4-Way Ranch Metropolitan District No. 2 (the “**Board**”), El Paso County, Colorado (the “**District**”), held a special meeting, via teleconference on December 7, 2023, at the hour of 2:00 p.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

AFFIDAVIT OF PUBLICATION

STATE OF COLORADO
COUNTY OF El Paso

I, Kate Dickens, being first duly sworn, deposes and says that she is the Legal Sales Representative of The Colorado Springs Gazette, LLC., a corporation, the publishers of a daily/weekly public newspapers, which is printed and published daily/weekly in whole in the County of El Paso, and the State of Colorado, and which is called Colorado Springs Gazette; that a notice of which the annexed is an exact copy, cut from said newspaper, was published in the regular and entire editions of said newspaper **1 time(s) to wit 11/29/2023**

That said newspaper has been published continuously and uninterruptedly in said County of El Paso for a period of at least six consecutive months next prior to the first issue thereof containing this notice; that said newspaper has a general circulation and that it has been admitted to the United States mails as second-class matter under the provisions of the Act of March 3, 1879 and any amendment thereof, and is a newspaper duly qualified for the printing of legal notices and advertisement within the meaning of the laws of the State of Colorado.



Kate Dickens
Sales Center Agent

Subscribed and sworn to me this 11/29/2023, at said City of Colorado Springs, El Paso County, Colorado.
My commission expires June 23, 2026.



Karen Hogan
Notary Public
The Gazette

KAREN HOGAN
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20224024441
MY COMMISSION EXPIRES 06/23/2026

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PUBLIC NOTICE
NOTICE OF PUBLIC HEARING ON THE PROPOSED 2024 BUDGET AND NOTICE OF PUBLIC HEARING ON THE AMENDED 2023 BUDGET

The Board of Directors (the "Board") of the 4-WAY RANCH METROPOLITAN DISTRICT NO. 2 (the "District"), will hold a public hearing via teleconference on December 7, 2023, at 2:00 p.m., to consider adoption of the District's proposed 2024 Budget (the "Proposed Budget"), and, if necessary, adoption of an amendment to the 2023 Budget (the "Amended Budget"). The public hearing may be joined using the following teleconference information:

<https://us06web.zoom.us/j/88643771142?pwd=QubpsOSlamARJlRm55ZjU0b3R0eDZkdz09>
Meeting ID: 886 4377 1142
Passcode: 198286
Call: 720-707-2699

The Proposed Budget and Amended Budget are available for inspection by the public at the offices of Simmons & Wheeler, 304 Inverness Way S #490, Englewood, CO 80112.

Any interested elector of the District may file any objections to the Proposed Budget and Amended Budget at any time prior to the final adoption of the Proposed Budget or the Amended Budget by the Board.

The agenda for any meeting may be obtained at <http://wsdistricts.co/4-way-ranch-metropolitan-district/> or by calling (303) 858-1800.

BY ORDER OF THE BOARD OF DIRECTORS:
4-WAY RANCH METROPOLITAN DISTRICT NO. 2, a quasi-municipal corporation and political subdivision of the State of Colorado

/s/ WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

Published in the Gazette November 29, 2023.

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 0.000 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 El Paso 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 DECEMBER 12, 2023.

DISTRICT:

4-WAY RANCH METROPOLITAN DISTRICT NO. 2, a quasi-municipal corporation and political subdivision of the State of Colorado

By: *Jason J.W. Pock*
Jason J.W. Pock (Dec 7, 2023 16:16 MST)
Officer of the District

Attest:

By: *Matt Hengel*
Matt Hengel (Dec 22, 2023 10:31 MST)

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

James D. Ankele
General Counsel to the District

STATE OF COLORADO
COUNTY OF EL PASO
4-WAY RANCH METROPOLITAN DISTRICT NO. 2

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 December 12, 2023, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 22nd day of December, 2023.

Matt Hengel
Matt Hengel (Dec 22, 2023 10:31 MST)

EXHIBIT A
BUDGET DOCUMENT
BUDGET MESSAGE

4 WAY RANCH METROPOLITAN DISTRICT NO. 2
2024
BUDGET MESSAGE

Attached please find a copy of the adopted 2024 budget for the 4 Way Ranch Metropolitan District No. 2.

The 4 Way Ranch Metropolitan District No. 2 has adopted budgets for two funds, a General Fund to provide for general operating expenditures; and a Water/Sewer Enterprise Fund to provide for the expenditures related to water treatment and water service delivery.

The district's accountants have utilized the modified accrual basis of accounting, and the budget has been adopted after proper postings, publications and public hearing.

The primary source of revenue for the district in 2024 will be water service fees and developer advances. The district does not intend to impose a mill levy on property within the district for 2024.

4 Way Ranch Metropolitan District No. 2
Adopted Budget
General Fund
For the Year ended December 31, 2024

	Estimate <u>2022</u>	Adopted Budget <u>2023</u>	Estimate <u>2023</u>	Adopted Budget <u>2024</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -
Revenues:				
Developer advances	88,985	106,155	93,985	75,255
Other income	<u>15</u>	<u>-</u>	<u>15</u>	<u>-</u>
Total revenues	<u>89,000</u>	<u>106,155</u>	<u>94,000</u>	<u>75,255</u>
Total funds available	<u>89,000</u>	<u>106,155</u>	<u>94,000</u>	<u>75,255</u>
Expenditures:				
Accounting	7,500	7,500	7,500	7,500
Legal	75,000	75,000	75,000	50,000
Insurance	6,500	7,000	6,500	7,000
Miscellaneous	-	1,000	-	1,000
Election	-	5,000	5,000	-
Engineering	-	5,000	-	5,000
Emergency reserve (3%)	-	3,015	-	2,115
Contingency	<u>-</u>	<u>2,640</u>	<u>-</u>	<u>2,640</u>
Total expenditures	<u>89,000</u>	<u>106,155</u>	<u>94,000</u>	<u>75,255</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Assessed Valuation		<u>\$ 289,410</u>		<u>\$ 339,920</u>
Mill levy		<u>-</u>		<u>-</u>

4 Way Ranch Metropolitan District No. 2
Adopted Budget
Capital Projects Fund
For the Year ended December 31, 2024

	Estimate <u>2022</u>	Adopted Budget <u>2023</u>	Estimate <u>2023</u>	Adopted Budget <u>2024</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -
Revenues:				
Original issue premium	-	190,349	-	-
Bond Proceeds	-	16,369,000	-	-
Total revenues	<u>-</u>	<u>16,559,349</u>	<u>-</u>	<u>-</u>
Total funds available	<u>-</u>	<u>16,559,349</u>	<u>-</u>	<u>-</u>
Expenditures:				
Issuance costs	-	627,020	-	-
Capital expenditures	-	13,229,579	-	-
Transfer to Debt Service	-	2,702,750	-	-
Total expenditures	<u>-</u>	<u>16,559,349</u>	<u>-</u>	<u>-</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

4 Way Ranch Metropolitan District No. 2
Adopted Budget
Debt Service Fund
For the Year ended December 31, 2024

	Estimate <u>2022</u>	Adopted Budget <u>2023</u>	Estimate <u>2023</u>	Adopted Budget <u>2024</u>
Beginning fund balance	\$ 50	\$ 50	\$ -	\$ -
Revenues:				
Transfer from Capital Projects Fund	-	2,702,750	-	-
Bond proceeds	<u>545,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>545,000</u>	<u>2,702,750</u>	<u>-</u>	<u>-</u>
Total funds available	<u>545,050</u>	<u>2,702,800</u>	<u>-</u>	<u>-</u>
Expenditures:				
Bond interest	-	15,639	-	-
Payment to District 1	545,000	-	-	-
Trustee fees	<u>-</u>	<u>7,000</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>545,000</u>	<u>22,639</u>	<u>-</u>	<u>-</u>
Ending fund balance	<u>\$ 50</u>	<u>\$ 2,680,161</u>	<u>\$ -</u>	<u>\$ -</u>
Assessed Valuation		<u>\$ 289,410</u>		<u>\$ 339,920</u>
Mill levy		<u>-</u>		<u>-</u>

4 Way Ranch Metropolitan District No. 2
Adopted Budget
Water / Sewer Enterprise Fund
For the Year ended December 31, 2024

	Estimate <u>2022</u>	Adopted Budget <u>2023</u>	Estimate <u>2023</u>	Adopted Budget <u>2024</u>
	\$ -	\$ -	\$ -	\$ -
Revenues:				
Water service fees	32,000	32,000	32,000	32,000
Facility fees	19,200	-	-	-
Developer advances - operations	<u>15,800</u>	<u>37,000</u>	<u>35,000</u>	<u>37,000</u>
Total revenues	<u>67,000</u>	<u>69,000</u>	<u>67,000</u>	<u>69,000</u>
Total funds available	<u>67,000</u>	<u>69,000</u>	<u>67,000</u>	<u>69,000</u>
Expenditures:				
Basic services	35,000	35,000	35,000	35,000
Utilities	28,000	30,000	28,000	30,000
Other	<u>4,000</u>	<u>4,000</u>	<u>4,000</u>	<u>4,000</u>
Total expenditures	<u>67,000</u>	<u>69,000</u>	<u>67,000</u>	<u>69,000</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
		<u>-</u>		<u>-</u>