

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

The Board of Directors of SilverStone Metropolitan District No. 3 (the “**Board**”), Town of Frederick, Weld County, Colorado (the “**District**”), held a special meeting, via teleconference and at 2500 Arapahoe Ave., Suite 220, Boulder, Colorado on November 27, 2023, at the hour of 9:00 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 2024 BUDGET

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 SILVERSTONE METROPOLITAN DISTRICT NO. 3 (the "District"), will hold a public hearing at 2500 Arapahoe Ave., Suite 220, Boulder, Colorado 80302 and via teleconference on NOVEMBER 27, 2023, at 9:00 a.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/82251038625?pwd=IsZ4gDFixDFqMLCDF0sXwq14fWWQe.1
Meeting Id: 822 5103 8625
Passcode: 358992

The Proposed Budget and Amended Budget are available for inspection by the public at the offices of White Bear Ankele Tanaka and Waldron, 2154 E. Commons Ave., Suite 2000, Centennial, CO 80122

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 <https://www.silverstonemetrodistricts.org/> or by calling (303) 858-1800.

BY ORDER OF THE BOARD OF DIRECTORS:
SILVERSTONE METROPOLITAN DISTRICT NO. 3, a quasi-municipal corporation and political subdivision of the State of Colorado

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

Published: Longmont Times Call November 17, 2023-2017302

Prairie Mountain Media, LLC


PUBLISHER'S AFFIDAVIT

County of Boulder
State of Colorado

The undersigned, Agent, being first duly sworn under oath, states and affirms as follows:

1. He/she is the legal Advertising Reviewer of Prairie Mountain Media LLC, publisher of the *Longmont Times Call*.
2. The *Longmont Times Call* is a newspaper of general circulation that has been published continuously and without interruption for at least fifty-two weeks in Boulder County and meets the legal requisites for a legal newspaper under Colo. Rev. Stat. 24-70-103.
3. The notice that is attached hereto is a true copy, published in the *Longmont Times Call* in Boulder County on the following date(s):

Nov 17, 2023



Signature

Subscribed and sworn to me before me this
17th day of November 2023.



Notary Public

(SEAL)

SHAYLA NAJERA
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20174031965
MY COMMISSION EXPIRES July 31, 2025

Account: 1051175
Ad Number: 2017302
Fee: \$33.93

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 5.484 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 3.133 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 Weld 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 27TH, 2023.

DISTRICT:

**SILVERSTONE METROPOLITAN
DISTRICT NO. 3**, a quasi-municipal corporation
and political subdivision of the State of Colorado

By: *Jon Lee*
Jon Lee (Jan 3, 2024 15:25 MST)

Officer of the District

Attest:

By: *Erika K. Shorter*
Erika K. Shorter (Jan 3, 2024 14:38 MST)

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law



General Counsel to the District

STATE OF COLORADO
COUNTY OF WELD
SILVERSTONE METROPOLITAN DISTRICT NO. 3

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 2500 Arapahoe Ave., Suite 220, Boulder, Colorado and via teleconference on November 27, 2023, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 27th day of November, 2023.

Erika K. Shorter
Erika K. Shorter (Jan 3, 2024 14:38 MST)

Signature

EXHIBIT A
BUDGET DOCUMENT
BUDGET MESSAGE

SILVERSTONE METROPOLITAN DISTRICT NO. 3
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2024

**SILVERSTONE METROPOLITAN DISTRICT NO. 3
SUMMARY
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/27/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 78,603	\$ 67,339	\$ 16,490,756
REVENUES			
Property taxes	6,129	8,764	3,998
Specific ownership taxes	363	430	2,701
TIF revenue	-	1,089	63,526
Interest income	99	400	400,500
Other revenue	-	2	-
Loan proceeds	5,000	-	-
Transfers from Silverstone MD No. 1	2,360	12,950	-
Bond issuance proceeds	-	18,310,000	-
Total revenues	<u>13,951</u>	<u>18,333,635</u>	<u>470,725</u>
TRANSFERS IN	<u>-</u>	<u>6,052,599</u>	<u>10,931</u>
Total funds available	<u>92,554</u>	<u>24,453,573</u>	<u>16,972,412</u>
EXPENDITURES			
General Fund	25,215	32,817	71,058
Debt Service Fund	-	20,000	1,405,102
Capital Projects Fund	-	1,857,401	10,600,000
Total expenditures	<u>25,215</u>	<u>1,910,218</u>	<u>12,076,160</u>
TRANSFERS OUT	<u>-</u>	<u>6,052,599</u>	<u>10,931</u>
Total expenditures and transfers out requiring appropriation	<u>25,215</u>	<u>7,962,817</u>	<u>12,087,091</u>
ENDING FUND BALANCES	<u>\$ 67,339</u>	<u>\$ 16,490,756</u>	<u>\$ 4,885,321</u>
EMERGENCY RESERVE	\$ 500	\$ 800	\$ 200
CAPITALIZED INTEREST FUND	-	4,201,599	2,865,937
SURPLUS FUND	-	1,831,000	2,015,274
TOTAL RESERVE	<u>\$ 500</u>	<u>\$ 6,033,399</u>	<u>\$ 4,881,411</u>

No assurance provided. See summary of significant assumptions.

**SILVERSTONE METROPOLITAN DISTRICT NO. 3
PROPERTY TAX SUMMARY INFORMATION
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/27/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
ASSESSED VALUATION			
Commercial	\$ -	\$ 244,810	\$ 1,531,590
Agricultural	3,160	2,430	2,450
State assessed	64,730	33,320	18,180
Vacant land	141,070	89,240	85,410
Oil and gas	36,210	27,770	74,810
	<u>245,170</u>	<u>397,570</u>	<u>1,712,440</u>
Adjustments	-	(43,561)	(1,248,478)
Certified Assessed Value	<u>\$ 245,170</u>	<u>\$ 354,009</u>	<u>\$ 463,962</u>
MILL LEVY			
General	25.000	25.000	3.133
Debt Service	0.000	0.000	5.484
Total mill levy	<u>25.000</u>	<u>25.000</u>	<u>8.617</u>
PROPERTY TAXES			
General	\$ 6,129	\$ 8,850	\$ 1,454
Debt Service	-	-	2,544
Levied property taxes	<u>6,129</u>	<u>8,850</u>	<u>3,998</u>
Refunds and abatements	-	(86)	-
Budgeted property taxes	<u>\$ 6,129</u>	<u>\$ 8,764</u>	<u>\$ 3,998</u>
ASSESSED VALUATION			
TIF District Increment	\$ -	\$ 43,561	\$ 1,248,478
Certified Assessed Value	<u>\$ -</u>	<u>\$ 43,561</u>	<u>\$ 1,248,478</u>
MILL LEVY			
General	25.000	25.000	3.133
Debt Service	0.000	0.000	5.484
Overlapping			42.266
Total mill levy	<u>25.000</u>	<u>25.000</u>	<u>8.617</u>
PROPERTY TAXES			
General	\$ -	\$ 1,089	\$ 3,911
Debt Service	-	-	6,847
Overlapping	-	-	52,768
Levied property taxes	<u>-</u>	<u>1,089</u>	<u>63,526</u>
Budgeted property taxes	<u>\$ -</u>	<u>\$ 1,089</u>	<u>\$ 63,526</u>
BUDGETED PROPERTY TAXES			
General	<u>\$ 6,129</u>	<u>\$ 9,853</u>	<u>\$ 5,365</u>
Debt Service	<u>-</u>	<u>-</u>	<u>62,159</u>
	<u>\$ 6,129</u>	<u>\$ 9,853</u>	<u>\$ 67,524</u>

No assurance provided. See summary of significant assumptions.

**SILVERSTONE METROPOLITAN DISTRICT NO. 3
GENERAL FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/27/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 78,603	\$ 67,339	\$ 58,157
REVENUES			
Property taxes	6,129	8,764	1,454
Specific ownership taxes	363	430	215
TIF revenue	-	1,089	3,911
Interest income	99	400	500
Other revenue	-	2	-
Loan proceeds	5,000	-	-
Transfers from Silverstone MD No. 1	2,360	12,950	-
Total revenues	<u>13,951</u>	<u>23,635</u>	<u>6,080</u>
TRANSFERS IN			
Transfer from other funds	-	-	10,931
Total funds available	<u>92,554</u>	<u>90,974</u>	<u>75,168</u>
EXPENDITURES			
General and administrative			
Accounting	5,220	7,500	25,000
Auditing	1,916	1,995	7,500
County Treasurer's fee	92	131	80
Dues and membership	-	285	350
Insurance	1,906	1,906	2,500
Legal	-	-	25,000
Miscellaneous	751	1,000	5,000
Contingency	-	-	4,138
Transfers to Town	-	-	1,490
Capital outlay	15,330	20,000	-
Total expenditures	<u>25,215</u>	<u>32,817</u>	<u>71,058</u>
Total expenditures and transfers out requiring appropriation	<u>25,215</u>	<u>32,817</u>	<u>71,058</u>
ENDING FUND BALANCES	<u>\$ 67,339</u>	<u>\$ 58,157</u>	<u>\$ 4,110</u>
EMERGENCY RESERVE	\$ 500	\$ 800	\$ 200
TOTAL RESERVE	<u>\$ 500</u>	<u>\$ 800</u>	<u>\$ 200</u>

No assurance provided. See summary of significant assumptions.

**SILVERSTONE METROPOLITAN DISTRICT NO. 3
DEBT SERVICE FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/27/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ -	\$ 6,032,599
REVENUES			
Property taxes	-	-	2,544
Specific ownership taxes	-	-	2,486
TIF revenue	-	-	59,615
Interest income	-	-	200,000
Total revenues	-	-	264,645
TRANSFERS IN			
Transfers from other funds	-	6,052,599	-
Total funds available	-	6,052,599	6,297,244
EXPENDITURES			
General and administrative			
County Treasurer's fee	-	-	932
Debt Service			
Bond interest	-	-	1,395,375
Paying agent fees	-	-	4,000
Contingency	-	20,000	4,795
Total expenditures	-	20,000	1,405,102
TRANSFERS OUT			
Transfers to other fund	-	-	10,931
Total expenditures and transfers out requiring appropriation	-	20,000	1,416,033
ENDING FUND BALANCES	\$ -	\$ 6,032,599	\$ 4,881,211
CAPITALIZED INTEREST FUND	\$ -	\$ 4,201,599	\$ 2,865,937
SURPLUS FUND	-	1,831,000	2,015,274
TOTAL RESERVE	\$ -	\$ 6,032,599	\$ 4,881,211

No assurance provided. See summary of significant assumptions.

**SILVERSTONE METROPOLITAN DISTRICT NO. 3
CAPITAL PROJECTS FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/27/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ -	\$ 10,400,000
REVENUES			
Bond issuance proceeds	-	18,310,000	-
Interest income	-	-	200,000
Total revenues	-	18,310,000	200,000
Total funds available	-	18,310,000	10,600,000
EXPENDITURES			
General and Administrative			
Accounting	-	-	35,000
Engineering	-	-	35,000
Legal	-	-	35,000
Capital Projects			
Repay developer advance	-	350,000	-
Bond issue costs	-	757,401	-
Capital outlay	-	750,000	10,495,000
Total expenditures	-	1,857,401	10,600,000
TRANSFERS OUT			
Transfers to other fund	-	6,052,599	-
Total expenditures and transfers out requiring appropriation	-	7,910,000	10,600,000
ENDING FUND BALANCES	\$ -	\$ 10,400,000	\$ -

No assurance provided. See summary of significant assumptions.

**SILVERSTONE METROPOLITAN DISTRICT NO. 3
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

In accordance with its Service Plan, Silverstone Metropolitan District No. 3, formerly known as Miner’s Village Metropolitan District, (the “District”) was formed to finance the necessary public improvements to be constructed on the property known as “Silverstone”, located in Frederick, Colorado. Such public improvements include, but are not limited to, storm drainage, water, sewer, utilities, streets, traffic and safety controls, and parks and recreation improvements.

The Service Plan provides the ability for the District to impose a maximum mill levy for the combined debt service and operational and maintenance requirements of the District. The Service Plan also provides a combined new money revenue and general obligation debt limit of \$50,000,000 for Silverstone Metropolitan District Nos. 1, 2 and 3, exclusive of surety requirements, but inclusive of organizational costs, financing costs and costs of construction and operation of public infrastructure.

The District has no employees and all operations and 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, 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.

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%		

**SILVERSTONE METROPOLITAN DISTRICT NO. 3
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 4% 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 4%.

Expenditures

General and Administrative

General and administrative expenditures have been estimated based upon the level of expenditures incurred by the District in prior years.

Transfers to Town

Pursuant to the Amended and Restated IGA Town/District, the District will transfer net property tax revenue collected in the General Fund to Town of Frederick.

Debt Service

Interest payments in 2024 are provided based on the debt amortization schedule from the Bonds (discussed under Debt and Leases).

Capital Outlay

The District anticipates infrastructure improvements as noted in the Capital Projects Fund.

Debt and Leases

On December 7, 2023 the District issued \$18,310,000 in Series 2023 General Obligation (Limited Tax) and Special Revenue Bonds (the "Bonds"), which bear interest of 7.5%, payable semi-annually on June 1 and December 1. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2027. The bonds mature on December 1, 2045.

The District has no leases.

**SILVERSTONE METROPOLITAN DISTRICT NO. 3
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Reserves

Emergency Reserve

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

Debt Service Reserves

Funds in the Debt Service Fund that are not required to pay the principal or interest on the bonds are held in the surplus fund, up to a maximum amount of \$3,662,000.

This information is an integral part of the accompanying budget.

**SILVERSTONE METROPOLITAN DISTRICT NO. 3
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

Bonds and Interest Maturing in the Year Ending December 31,	\$18,310,000 General Obligation (Limited Tax) and Special Revenue Bonds Series 2023 Interest Rate of 7.50% Payable June 1 and December 1 Principal Due December 1		
	Principal	Interest	Total
2024	\$ -	\$ 1,395,375	\$ 1,395,375
2025	-	1,419,025	1,419,025
2026	-	1,419,025	1,419,025
2027	50,000	1,419,025	1,469,025
2028	425,000	1,415,150	1,840,150
2029	470,000	1,382,213	1,852,213
2030	530,000	1,345,788	1,875,788
2031	585,000	1,304,713	1,889,713
2032	655,000	1,259,375	1,914,375
2033	720,000	1,208,613	1,928,613
2034	800,000	1,152,813	1,952,813
2035	875,000	1,090,813	1,965,813
2036	970,000	1,023,000	1,993,000
2037	1,055,000	947,825	2,002,825
2038	1,170,000	866,063	2,036,063
2039	1,270,000	775,388	2,045,388
2040	1,400,000	676,963	2,076,963
2041	1,515,000	568,463	2,083,463
2042	870,000	451,050	1,321,050
2043	950,000	383,625	1,333,625
2044	1,040,000	310,000	1,350,000
2045	2,960,000	229,400	3,189,400
	\$ 18,310,000	\$ 22,043,700	\$ 40,353,700

No assurance provided. See summary of significant assumptions.