

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

The Board of Directors of The Canyons Metropolitan District No.7 (the “**Board**”), City of Castle Pines, Douglas County, Colorado (the “**District**”), held a special meeting, via teleconference on November 15, 2023, 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 2024 BUDGET

Colorado Community Media
750 W. Hampden Ave. Suite 225
Englewood, CO 80110

Public Notice

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

Canyons Metro District No. 7 (wba) **
c/o White, Bear & Ankele P.C.
2154 East Commons Avenue, Suite 2000
Centennial CO 80122

NOTICE IS HEREBY GIVEN that the Board of Directors (the "Board") of THE CANYONS METROPOLITAN DISTRICT NO. 7 (the "District"), will hold a meeting via teleconference on **November 15, 2023 at 10:00 a.m.**, for the purpose of conducting such business as may come before the Board including a public hearing on the 2024 proposed budget (the "Proposed Budget"). The necessity may also arise for an amendment to the 2023 budget (the "Amended Budget"). This meeting can be joined using the following teleconference information:

<https://zoom.us/j/97269919390?pwd=NFJwO DJ5RFJU2lsdy9nTUdqdTV4UT09>
Meeting ID: 972 6991 9390; Passcode: 971159; Call-In Number: 720-707-2699

AFFIDAVIT OF PUBLICATION

State of Colorado }
County of Douglas } ss

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 East Crescent Parkway, Suite 300, Greenwood Village, CO 80111, where the same are open for public inspection.


This Affidavit of Publication for the Douglas County News Press, a weekly newspaper, printed and published for the County of Douglas, State of Colorado, hereby certifies that the attached legal notice was published in said newspaper once in each week, for 1 successive week(s), the last of which publication was made 11/9/2023, and that copies of each number of said paper in which said Public Notice was published were delivered by carriers or transmitted by mail to each of the subscribers of said paper, according to their accustomed mode of business in this office.

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 at <https://www.canyons7metro.org> or by calling (303) 858-1800.

BY ORDER OF THE BOARD OF DIRECTORS:
THE CANYONS METROPOLITAN DISTRICT NO. 7, a quasi-municipal corporation and political subdivision of the State of Colorado

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

Legal Notice No. 946309
First Publication: November 9, 2023
Last Publication: November 9, 2023
Publisher: Douglas County News-Press



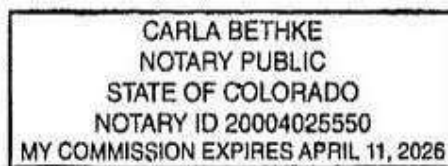
For the Douglas County News-Press

State of Colorado }
County of Arapahoe } ss

The above Affidavit and Certificate of Publication was subscribed and sworn to before me by the above named Linda Shapley, publisher of said newspaper, who is personally known to me to be the identical person in the above certificate on 11/9/2023. Linda Shapley has verified to me that she has adopted an electronic signature to function as her signature on this document.

20004025550-377152

Carla Bethke
Notary Public
My commission ends April 11, 2026



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 6.064 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 3. Levy for Debt Service Obligations. For the purposes of meeting all debt service obligations of the District during the 2024 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 4. Levy for Contractual Obligation Expenses. For the purposes of meeting all contractual obligations of the District during the 2024 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 5. Levy for Capital Project Expenses. For the purposes of meeting all capital project obligations of the District during the 2024 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 6. Mill Levy Adjustment. When developing the attached budget, consideration was given to any changes in the method of calculating assessed valuation, including any changes to the assessment ratios, or any constitutionally mandated tax credit, cut or abatement, as authorized in the District's service plan. The Board hereby determines in good faith (such determination to be binding and final), that to the extent possible, the adjustments to the mill levies made to account for changes in Colorado law described in the prior sentence, and the actual tax revenues generated by the mill levies, are neither diminished nor enhanced as a result of those changes.

Section 7. Certification to County Commissioners. The Board directs its legal counsel, manager, accountant or other designee to certify to the Board of County Commissioners of Douglas County, Colorado the mill levies for the District as set forth herein. Such certification shall be in compliance with the requirements of Colorado law.

Section 8. Appropriations. The amounts set forth as expenditures in the budget attached hereto are hereby appropriated.

Section 9. Filing of Budget and Budget Message. The Board hereby directs its legal counsel, manager or other designee to file a certified copy of the adopted budget resolution, the budget and budget message with the Division of Local Government by January 30 of the ensuing year.

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

[Remainder of Page Intentionally Left Blank]

EXHIBIT A
BUDGET DOCUMENT
BUDGET MESSAGE

THE CANYONS METROPOLITAN DISTRICT NO. 7
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2024

**CANYONS METROPOLITAN DISTRICT NO. 7
SUMMARY
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/21/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ (487,421)	\$ (302,316)	\$ 1,169,313
REVENUES			
Property taxes	581,620	803,689	439,633
Specific ownership taxes	51,507	72,332	39,567
Developer Contribution	18,738,707	1,010,431	60,000
Penalties and fees	5,134	5,000	5,500
Operations and maintenance fee	224,752	317,640	358,200
Interest income	10,543	55,715	57,650
Developer advance	2,787	-	-
Reimbursed expenditures	-	289,337	-
Total revenues	<u>19,615,050</u>	<u>2,554,144</u>	<u>960,550</u>
TRANSFERS IN	<u>34,681</u>	<u>219,645</u>	<u>-</u>
Total funds available	<u>19,162,310</u>	<u>2,471,473</u>	<u>2,129,863</u>
EXPENDITURES			
General Fund	153,728	188,115	313,000
Capital Projects Fund	19,008,863	402,000	60,000
Special Revenue Fund	267,354	492,400	229,000
Total expenditures	<u>19,429,945</u>	<u>1,082,515</u>	<u>602,000</u>
TRANSFERS OUT	<u>34,681</u>	<u>219,645</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>19,464,626</u>	<u>1,302,160</u>	<u>602,000</u>
ENDING FUND BALANCES	<u>\$ (302,316)</u>	<u>\$ 1,169,313</u>	<u>\$ 1,527,862</u>
EMERGENCY RESERVE	<u>\$ 19,400</u>	<u>\$ 28,000</u>	<u>\$ 16,100</u>
TOTAL RESERVE	<u>\$ 19,400</u>	<u>\$ 28,000</u>	<u>\$ 16,100</u>

No assurance provided. See summary of significant assumptions.

**CANYONS METROPOLITAN DISTRICT NO. 7
PROPERTY TAX SUMMARY INFORMATION
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/21/24

ACTUAL	ESTIMATED	BUDGET
2022	2023	2024

ASSESSED VALUATION

Residential - Single Family	\$ 10,892,130	\$ 27,342,740	\$ 54,496,130
Agricultural	7,450	5,700	5,800
State assessed	700	3,800	3,700
Vacant land	19,102,940	15,271,150	16,934,070
Natural Resources	2,250	2,250	2,170
Personal property	771,690	676,550	1,056,980
Certified Assessed Value	\$ 30,777,160	\$ 43,302,190	\$ 72,498,850

MILL LEVY

General	18.925	18.560	6.064
Total mill levy	18.925	18.560	6.064

PROPERTY TAXES

General	\$ 582,458	\$ 803,689	\$ 439,633
Levied property taxes	582,458	803,689	439,633
Adjustments to actual/rounding	(838)	-	-
Budgeted property taxes	\$ 581,620	\$ 803,689	\$ 439,633

BUDGETED PROPERTY TAXES

General	\$ 581,620	\$ 803,689	\$ 439,633
	\$ 581,620	\$ 803,689	\$ 439,633

**CANYONS METROPOLITAN DISTRICT NO. 7
GENERAL FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/21/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 140,341	\$ 595,602	\$ 1,118,863
REVENUES			
Property taxes	581,620	803,689	439,633
Specific ownership taxes	51,507	72,332	39,567
Interest income	10,543	55,000	55,000
Total revenues	<u>643,670</u>	<u>931,021</u>	<u>534,200</u>
Total funds available	<u>784,011</u>	<u>1,526,623</u>	<u>1,653,063</u>
EXPENDITURES			
General and administrative			
Accounting	46,895	55,200	60,750
Auditing	5,000	5,200	5,700
County Treasurer's fee	8,740	12,055	6,594
Directors' fees	-	-	-
Dues and membership	403	445	750
Insurance	6,926	6,777	7,550
District management	49,981	63,775	176,760
Legal	26,254	31,000	35,000
Miscellaneous	6,411	8,500	9,000
Election	2,518	4,563	-
Reserve Study	-	-	5,000
Contingency	-	-	5,296
Website	600	600	600
Total expenditures	<u>153,728</u>	<u>188,115</u>	<u>313,000</u>
TRANSFERS OUT			
Transfers to other fund	<u>34,681</u>	<u>219,645</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>188,409</u>	<u>407,760</u>	<u>313,000</u>
ENDING FUND BALANCES	<u>\$ 595,602</u>	<u>\$ 1,118,863</u>	<u>\$ 1,340,062</u>
EMERGENCY RESERVE	<u>\$ 19,400</u>	<u>\$ 28,000</u>	<u>\$ 16,100</u>
TOTAL RESERVE	<u>\$ 19,400</u>	<u>\$ 28,000</u>	<u>\$ 16,100</u>

**CANYONS METROPOLITAN DISTRICT NO. 7
SPECIAL REVENUE FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/21/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Operations and maintenance fee	224,752	317,640	358,200
Penalties and fees	5,134	5,000	5,500
Developer advance	2,787	-	-
Interest income	-	115	150
Total revenues	<u>232,673</u>	<u>322,755</u>	<u>363,850</u>
TRANSFERS IN			
Transfers from other funds	<u>34,681</u>	<u>169,645</u>	<u>-</u>
Total funds available	<u>267,354</u>	<u>492,400</u>	<u>363,850</u>
EXPENDITURES			
Operations and maintenance			
Repairs and maintenance	224	5,000	12,500
Landscaping	92,253	205,000	57,500
Bridge Cover	2,050	1,200	250
Trails	2,268	-	6,250
Site Utilities	-	1,200	375
Water	112,723	150,000	26,250
Snow removal	57,836	90,000	60,000
Irrigation and Landscaping Maintenance	-	25,000	12,500
Bridge Maintenance	-	-	6,250
Holiday Lighting	-	15,000	15,000
Fence Maintenance	-	-	20,000
Parks - Playground Equipment	-	-	1,250
Contingency	-	-	10,875
Total expenditures	<u>267,354</u>	<u>492,400</u>	<u>229,000</u>
Total expenditures and transfers out requiring appropriation	<u>267,354</u>	<u>492,400</u>	<u>229,000</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 134,850</u>

**CANYONS METROPOLITAN DISTRICT NO. 7
CAPITAL PROJECTS FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/21/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ (627,762)	\$ (897,918)	\$ -
REVENUES			
Interest income	-	150	-
Developer Contribution	18,738,707	1,010,431	60,000
Reimbursed expenditures	-	289,337	-
Total revenues	<u>18,738,707</u>	<u>1,299,918</u>	<u>60,000</u>
Total funds available	<u>18,110,945</u>	<u>402,000</u>	<u>60,000</u>
EXPENDITURES			
General and Administrative			
Accounting	21,738	25,000	5,000
Legal	31,147	12,000	5,000
Capital Projects			
Superblock Infrastructure	3,811,223	270,000	-
Filing 1 2nd Amendment	571,147	-	-
Filing 1 3rd Amendment	21,996	-	-
Filing 1 1st Amendment	15,630	-	-
Filing 1 6th Amendment	400,294	-	-
Filing 2	59,742	-	-
Superblock Phase 2 Infrastructure	5,026,153	95,000	50,000
Filing 2 1st Amendment LDA	8,381,241	-	-
Engineering	668,552	-	-
Total expenditures	<u>19,008,863</u>	<u>402,000</u>	<u>60,000</u>
Total expenditures and transfers out requiring appropriation	<u>19,008,863</u>	<u>402,000</u>	<u>60,000</u>
ENDING FUND BALANCES	<u>\$ (897,918)</u>	<u>\$ -</u>	<u>\$ -</u>

**CANYONS METROPOLITAN DISTRICT NO. 7
 CAPITAL REPAIR & REPLACEMENT FUND
 2024 BUDGET
 WITH 2022 ACTUAL AND 2023 ESTIMATED
 For the Years Ended and Ending December 31,**

1/21/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ -	\$ 50,450
REVENUES			
Interest income	-	450	2,500
Total revenues	<u>-</u>	<u>450</u>	<u>2,500</u>
TRANSFERS IN			
Transfers from other funds	<u>-</u>	<u>50,000</u>	<u>-</u>
Total funds available	<u>-</u>	<u>50,450</u>	<u>52,950</u>
EXPENDITURES			
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>-</u>	<u>-</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ 50,450</u>	<u>\$ 52,950</u>

**THE CANYONS METROPOLITAN DISTRICT NO. 7
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District was organized to provide financing for the design, acquisition, installation and construction of storm and sanitary sewers, water systems, streets, parks and recreation facilities, transportation systems, television relay and translator facilities, security, mosquito control and fire protection and operation and maintenance of the District. The District's service area is located in the City of Castle Pines in Douglas County, Colorado and the District operates in connection with Districts Nos. 1 - 6 and 8 - 11.

The District was formed by District Court Order on June 4, 2010, and held its organizational meeting on December 6, 2010. The relationship between District No. 5, District No. 6, and District No. 7, including the means for approving, financing, constructing and operating the public services and improvements needed to serve the property are outlined in the Master Reimbursement Agreement executed December 29, 2015 by the District and District Nos. 5 and 6.

On May 4, 2010, District voters approved authorization to increase property taxes up to \$100,000,000, annually, as necessary, to pay for the operations and maintenance expenditures of the District as well as \$100,000,000, annually, as necessary to pay for the capital expenditures of the District. Debt authorization was approved in the amount of \$1,300,000,000 for the above listed facilities and \$100,000,000 for refunding debt. The election also allows the District to retain all revenues without regard to the limitations contained in Article X, Section 20 of the Colorado constitution or any other law.

On November 4, 2014, District voters approved authorization to increase property taxes up to \$226,000,000, annually, as necessary, to pay for the operations and maintenance expenditures of the District as well as \$226,000,000, annually, as necessary to pay for the capital expenditures of the District. Debt authorization was approved in the amount of \$2,260,000,000 for the above listed facilities and \$226,000,000 for refunding debt. The election also allows the District to retain all revenues without regard to the limitations contained in Article X, Section 20 of the Colorado constitution or any other law.

Pursuant to the Consolidated Service Plan, as amended, the maximum mill levy for general obligation debt and operations and maintenance is 69.000 mills of which the District imposes 19.420 mills for operations. This limit is to be adjusted for increases or decreases in the residential assessment ratio so that the actual tax revenues derived from the mill levy, as adjusted, are neither diminished nor enhanced as a result.

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.

**THE CANYONS METROPOLITAN DISTRICT NO. 7
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

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.

The calculation of the taxes levied is displayed on the property tax page of the Budget and is pursuant to the Master Reimbursement Agreement. Collectively, Districts Nos. 5, 6, and 7 are permitted to levy 69.000 mills, subject to being adjusted for changes in the assessment ration which brings the total mill levy for all three districts to 68.911 mills.

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%		

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 with the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District’s share will be equal to approximately 9% of the property taxes collected.

**THE CANYONS METROPOLITAN DISTRICT NO. 7
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues – (continued)

Developer Contributions

The District is in the development stage. As such, the capital expenditures are to be funded by the Developer. The District will receive contributions to fund such costs with no obligation for repayment.

Interest Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 5%.

Operations and Maintenance Fees

The District will collect a fee of \$30 per month from homeowners of the District to pay for the District's costs of operations.

Expenditures

County Treasurer's Fees

County Treasurer's collection fees have been computed at 1.5% of property taxes.

Administrative and Operating Expenditures

Administrative and operating 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 accounting, legal, insurance, and other administrative expenditures.

Capital Outlay

The District will own, operate and maintain all District eligible public improvements within its boundaries that are not dedicated to any other public entity. District Nos. 5 and 6 will finance the cost of such improvements. Beginning in 2023, Shea Homes took over constructing public infrastructure within the District.

**THE CANYONS METROPOLITAN DISTRICT NO. 7
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases

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

Below is the schedule of long-term obligations of the District:

	Balance at December 31, 2022	Additions	Repayments	Balance at December 31, 2023*	Additions*	Repayments*	Balance at December 31, 2024*
Developer Advances - O&M	\$ 190,220	\$ -	\$ -	\$ 190,220	\$ -	\$ -	\$ 190,220
	<u>190,220</u>	<u>-</u>	<u>-</u>	<u>190,220</u>	<u>-</u>	<u>-</u>	<u>190,220</u>
Accrued Interest - Developer Advances - O&M	65,181	17,820	-	83,001	17,869	-	100,870
	<u>65,181</u>	<u>17,820</u>	<u>-</u>	<u>83,001</u>	<u>17,869</u>	<u>-</u>	<u>100,870</u>
	<u>\$ 255,401</u>	<u>\$ 17,820</u>	<u>\$ -</u>	<u>\$ 273,221</u>	<u>\$ 17,869</u>	<u>\$ -</u>	<u>\$ 291,090</u>
* Estimate							

Reserves

Emergency Reserves

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

This information is an integral part of the accompanying budget.