

**HIDDEN VALLEY FARM METROPOLITAN DISTRICT NOS. 1-4
2022 ANNUAL REPORT
TO
THE TOWN OF SEVERANCE**

Pursuant to the Service Plan for Hidden Valley Farm Metropolitan Districts Nos. 1-4 (each a “District” and collectively, the “Districts”), the Districts are required to submit an annual report to the Town of Severance.

The following reflects information concerning the above listed matters that occurred in 2022:

A. Boundary changes made or proposed.

None.

B. Intergovernmental Agreements with other governmental entities entered into or proposed.

No intergovernmental agreements were entered into during the report year.

C. List of all facilities and improvements constructed by the Districts that have been dedicated to and accepted by the Town of Severance.

No facilities or improvements were dedicated to the Town by the Districts during the reporting year.

D. Summary of assessed valuation of the Districts for the current year.

The Districts have received a certification of valuation from the Weld County Assessor that reports the following net total taxable assessed valuation for 2022:

Hidden Valley Farm Metropolitan District No. 1 - \$0
Hidden Valley Farm Metropolitan District No. 2 - \$8,030,770
Hidden Valley Farm Metropolitan District No. 3 - \$0
Hidden Valley Farm Metropolitan District No. 4 - \$9,922,620

E. Current year budgets including a description of the Public Improvements to be constructed.

The 2023 Budgets for Districts 1, 2, 3 and 4 are collectively attached as **Exhibit A**.

The Districts intend to continue to coordinate the construction of certain public improvements as described in the Service Plan; the Developer continues to construct improvements needed for the development in accordance with plans approved by the Town.

F. Audit of the Districts’ financial statements.

Revenues and expenditures for Districts 2 and 3 were less than \$750,000 in 2022, and exemptions from audit for the report year were filed and granted in accordance with state law. The Audits for Districts 1 and 4 are being processed and an extension to September 30, 2022 has been filed. Once

finalized and filed, copies of the 2022 audit reports will be available through the state auditor's online portal: <https://apps.leg.co.gov/osa/lg/submissions/search>.

G. Access information to obtain a copy of rules and regulations adopted by the Board.

There are no rules and regulations for the Districts at this time.

H. Notice of any uncured events of default under any Debt instrument.

None.

I. Any inability of the District to pay its obligations as they come due under any obligation which continues beyond a ninety-day period.

None.

J. A summary of litigation involving public improvements owned by the District.

None.

Respectfully submitted this 27th day of July, 2023.

SPENCER FANE LLP
Attorneys at Law

/s/ David S. O'Leary
David O'Leary, Esq.

EXHIBIT A

2023 Budgets

LETTER OF BUDGET TRANSMITTAL

Date: January 23, 2023

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

Attached are the 2023 budget and budget message for HIDDEN VALLEY FARM METROPOLITAN DISTRICT NO. 1 in Weld County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on November 10, 2022. If there are any questions on the budget, please contact:

Carrie Bartow
CliftonLarsonAllen LLP
8390 East Crescent Parkway, Suite 500
Greenwood Village, CO 80111
Tel.: 303-779-5710

I, S. Alan Vancil, as Secretary of the Hidden Valley Farm Metropolitan District No. 1, hereby certify that the attached is a true and correct copy of the 2023 budget.

By: S. Alan Vancil

RESOLUTION
TO ADOPT 2023 BUDGET, APPROPRIATE SUMS OF MONEY,
AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY
HIDDEN VALLEY FARM METROPOLITAN DISTRICT NO. 1

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2023 TO HELP DEFRAY THE COSTS OF GOVERNMENT, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE HIDDEN VALLEY FARM METROPOLITAN DISTRICT NO. 1, WELD COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2023, AND ENDING ON THE LAST DAY OF DECEMBER, 2023,

WHEREAS, the Board of Directors of the Hidden Valley Farm Metropolitan District No. 1 has authorized its consultants to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, the proposed budget has been submitted to the Board of Directors of the District for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on November 10, 2022 and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues or planned to be expended from reserves or fund balances so that the budget remains in balance, as required by law; and

WHEREAS, the amount of money necessary to balance the budget for general operating purposes from property tax revenue is \$0; and

WHEREAS, the Board of Directors finds that it is required to temporarily lower the operating mill levy to render a refund for \$0; and

WHEREAS, the amount of money necessary to balance the budget for voter-approved bonds and interest is \$0; and

WHEREAS, the amount of money necessary to balance the budget for contractual obligation purposes from property tax revenue as approved by voters from property tax revenue is \$0; and

WHEREAS, the amount of money necessary to balance the budget for capital expenditure purposes from property tax revenue as approved by voters or at public hearing is \$0; and

WHEREAS, the amount of money necessary to balance the budget for refunds/abatements is \$0; and

WHEREAS, the 2022 valuation for assessment for the District as certified by the County Assessor of Weld County is \$0; and

WHEREAS, at an election held on November 5, 2013, the District has eliminated the revenue and expenditure limitations imposed on governmental entities by Article X, Section 20 of the Colorado Constitution and Section 29-1-301, C.R.S., as amended.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE HIDDEN VALLEY FARM METROPOLITAN DISTRICT NO. 1 OF WELD COUNTY, COLORADO:

Section 1. Adoption of Budget. That the budget as submitted, and attached hereto and incorporated herein by this reference, and if amended, then as amended, is hereby approved and adopted as the budget of the Hidden Valley Farm Metropolitan District No. 1 for calendar year 2023.

Section 2. Budget Revenues. That the estimated revenues for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 3. Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 4. Levy of General Property Taxes. That the Board of Directors does hereby certify the levy of general property taxes for collection in 2023 as follows:

A. Levy for General Operating and Other Expenses. That for the purposes of meeting all general operating expense 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 for the year 2022.

B. Temporary Tax Credit or Rate Reduction. That pursuant to Section 39-1-111.5, C.R.S. for the purposes of effect of a refund for the purposes set forth in Section 20 of Article X of the Colorado Constitution, there is hereby certified a temporary property tax credit or temporary mill levy rate reduction of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2022.

C. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all debt retirement expense of the District during the 2023 budget

year, as the funding requirements of the current outstanding general obligation indebtedness is detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2022.

D. Levy for Contractual Obligations. That for the purposes of meeting the contractual obligation expense of the District during the 2023 budget year, as detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2022.

E. Levy for Capital Expenditures. That for the purposes of meeting all capital expenditures of the District during the 2023 budget year pursuant to Section 29-1-301(1.2) or 29-1-302(1.5), C.R.S., 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 boundaries of the District for the year 2022.

F. Levy for Refunds/Abatements. That for the purposes of recoupment of refunds/abatements of taxes pursuant to Section 39-10-114(1)(a)(I)(B), C.R.S., 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 boundaries of the District for the year 2022.

Section 5. Property Tax and Fiscal Year Spending Limits. That, being fully informed, the Board finds that the foregoing budget and mill levies do not result in a violation of any applicable property tax or fiscal year spending limitation.

Section 6. Certification. That the appropriate officers of the District are hereby authorized and directed to certify by December 15, 2022, to the Board of County Commissioners of Weld County, Colorado, the mill levies for the District herein above determined and set, or be authorized and directed to certify to the Board of County Commissioners of Weld County, Colorado, as herein above determined and set, but as recalculated as needed upon receipt of the final certification of valuation from the County Assessor on or about December 10, 2022 in order to comply with any applicable revenue and other budgetary limits or to implement the intent of the District. That said certification shall be in substantially the form set out and attached hereto and incorporated herein by this reference.

Section 7. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

ADOPTED this 10th day of November, 2022.

HIDDEN VALLEY FARM METROPOLITAN
DISTRICT NO. 1

Jeff Mark

President

ATTEST:

S. Alan Vancil

Secretary

Hidden Valley Farm Metropolitan District No. 1			
General Fund Budget			
Year Ended 12/31/2023			
Modified Accrual Basis			
	2021	2022	2023
	Actual	Estimated	Proposed
	12/31/2021		Budget
BEGINNING FUND BALANCE	\$ 23,015	\$ 4,723	\$ 5,959
REVENUES			
Intergovernmental revenue - Trsfr from Dist 2	87,469	94,416	95,195
Intergovernmental revenue - Trsfr from Dist 4	51,044	72,937	113,154
Interest on FCB Bank account	24	-	-
Homeowner Fines	50	350	-
Homeowner Setup Fee	28,800	16,000	15,000
Status Letter Fee	200	200	-
Design Fee	7,970	2,500	4,000
Total Revenues	175,557	186,403	227,349
EXPENDITURES			
General Management			
Accounting	14,329	12,000	15,000
Audit	7,200	-	12,000
Legal	7,519	12,000	13,000
Election expense			5,000
District Management	41,931	55,721	65,300
Dues & subscriptions	1,012	1,209	1,200
Insurance	10,626	11,898	12,000
Homeowner Setup Fee	25,150	16,000	15,000
Status Letter Fee	-	200	-
Design Review Fee	5,740	2,500	4,000
Contingency	-	-	1,000
Total General Management	113,507	111,528	143,500
Maintenance			
Not-Pot Water System Maintenance	3,600	35,000	7,500
Landscape Maintenance Contract	51,500	51,500	82,200
Dog Waste Station Maintenance	737	800	800
Snow Removal	11,977	6,000	6,000
Irrigation Repairs	11,926	10,000	10,000
Landscape Trash Removal	1,898	4,340	4,000
Landscape Repair & Improvement	85,127	5,000	130,000
Electric	8,577	5,000	8,000
Landscape Water	12,000	20,000	20,000
Total Maintenance	187,342	137,640	268,500
Total Expenses	300,849	249,168	412,000
Excess of Revenues over Expenditures	(125,292)	(62,765)	(184,651)
Transfer From D1 Capital Fund	107,000	64,000	187,000
Net change in Fund Balance	(18,292)	1,236	2,349
ENDING FUND BALANCE	\$ 4,723	\$ 5,959	\$ 8,308
Emergency Reserve - 3% of Revenues	\$ 4,155	\$ 5,021	\$ 6,820
Unrestricted Fund Balance	\$ 568	\$ 938	\$ 1,487

Hidden Valley Farm Metropolitan District No. 1			
Capital Fund Budget			
Year Ended 12/31/2023			
Modified Accrual Basis			
	2021	2022	2023
	Actual	Estimated	Proposed Budget
BEGINNING FUND BALANCE	\$ 778,953	\$ 538,921	\$ 187,000
REVENUES			
Developer Advances	-	-	8,430,000
Intergovernmental revenue from District 4 - Capital Fund - Public Imp.	-	-	8,430,000
Total Revenues	-	-	16,860,000
EXPENDITURES			
Public Infrastructure Costs - District 4	-	-	8,430,000
Sanitary & Storm Sewer	133,032	-	-
Repay Developer Advance from Bond Funds	-	-	8,430,000
Repay Developer Advance	-	-	-
Total Capital Expenditures	133,032	-	16,860,000
Excess of Revenues over Expenditures	(133,032)	-	-
Transfer from (to) District 1 General Fund	(107,000)	(64,000)	(187,000)
Transfer to District 4 Debt Fund	-	-	-
Transfer from District 2 Debt Fund - 2016 & 2017 D4 Oil & Gas tax revenue not pledged to D2 Debt	-	430,488	-
Transfer from District 2 Debt Fund - Builder Fees from D4 that were trsfrd to D2 Debt Fund that were not pledged revenue	-	152,051	-
Transfer from D4 Capital Fund the balance of D4 Builder Fees	-	98,694	-
Repay D1 Developer Advance - Capital	-	(969,154)	-
Net Change in Fund Balance	(240,032)	(351,921)	(187,000)
ENDING FUND BALANCE	\$ 538,921	\$ 187,000	\$ -

Hidden Valley Metropolitan District Nos. 1-4					
Property Taxes					
2022 Valuations for 2023 Taxes					
	1509	1510	1511	1512	
	Combined	District	District	District	District
		No. 1	No. 2	No. 3	No. 4
Vacant Residential Land - Market Value	953,737		278,397	-	675,340
Percentage	29%	29%	29%	29%	29%
Assessed Value	276,700		80,740	-	195,960
Residential Land & Improvements - Market Value	212,928,583		113,026,865		99,901,718
Percentage	7.15%		6.95%	7.15%	6.95%
Assessed Value	14,799,270		7,855,650		6,943,620
Commercial	22,320	-	1,257	-	21,063
Percentage	29%	29%	29%	29%	29%
Assessed Value	6,470	-	360	-	6,110
Agricultural	43,459	-	-	-	43,459
Percentage	29%	29%	29%	29%	29%
Assessed Value	11,530	-	-	-	11,530
Producing Oil & Gas Land & Pipelines	4,359,335	-	-	-	4,359,335
Percentage	61.6702%				61.6702%
Assessed Value	2,688,410	-	-	-	2,688,410
Public Utility state value	589,716	-	324,223		265,493
Percentage	29%	29%	29%	29%	29%
Assessed Value	171,010	-	94,020	-	76,990
Total Assessed Value - Final AV	17,953,390	-	8,030,770	-	9,922,620
Mill Levy - General Operating & Debt Service		-	68.719	-	66.108
2022 Property Tax to be paid in 2023	\$ 1,207,831	\$ -	\$ 551,866	\$ -	\$ 655,965
Tax based on Mill Levy for 2023					
Debt Service	\$ 1,006,527	\$ -	\$ 459,890	\$ -	\$ 546,637
General Operating	\$ 201,303	\$ -	\$ 91,976	\$ -	\$ 109,327
Total	\$ 1,207,830	\$ -	\$ 551,866	\$ -	\$ 655,964
Mill Levy for 2023					
Debt Service		-	57.266	-	55.090
General Operating		-	11.453	-	11.018
Total		-	68.719	-	66.108

Hidden Valley Farm Metropolitan District No. 1
Weld County, CO
2023 Budget Narrative

The Hidden Valley Farm Metropolitan District No. 1 is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act, and was formed in April 2014. The District was established as part of a “Multiple District Structure” for The Hidden Valley Farm community located in the Town of Severance, Weld County, Colorado. Along with its companion Districts Nos. 2, 3 and 4 (“Financing Districts”) this “Service District” was organized to provide financing for the design, acquisition, construction and installation of public improvements, facilities and services. The public improvements to be provided by the Districts are proposed to include the types of facilities and improvements for a non-potable water system, streets and roadways, street landscaping, signage, monuments, and lighting, safety protection, park and recreation, sanitation and storm drainage, water improvements and other related improvements and their operation and maintenance.

Pursuant to the Service Plan, the District is authorized to issue General Obligation Debt, Revenue Debt and other Debt in an amount not to exceed \$40,000,000.

The District has no employees at this time and all operations and administrative functions are contracted.

The following budget is prepared on the modified accrual basis of accounting, in accordance with requirements of Colorado Revised Statutes C.R.S. 29-1-105.

GENERAL FUND
REVENUES

1. Intergovernmental revenue is budgeted for General Fund tax revenue from Hidden Valley Metropolitan Districts #2 and #4 transferred to District #1. District #2 has assessed 11.453 mills and District #4 has assessed 11.018 mills for Operations and Maintenance for 2022. The related property tax revenue and an allocation of specific ownership tax are included in this budgeted revenue. The mill levy was adjusted due to a change in the method of calculating the residential assessed valuation.
2. The District charges a setup and administrative fee of \$100 for each home that is sold within the District. It charges an additional \$100 transaction fee for home resales and a \$40 design review fee. These fees are paid to the District and reimbursed to the District Management Company.

GENERAL FUND
EXPENDITURES – Operating

1. Expenditures include the operating and maintenance costs for Districts #1 - #4 since all of the net operating tax revenues of District #2 - #4 are transferred to District #1 as intergovernmental revenue.
2. Accounting fees include the monthly accounting for the District and the costs of the accounting firm to prepare periodic and annual financial statements, and to record mill levy certifications and budgets with regulatory authorities.
3. Audit fees are the cost of auditing the District financial statements.

**Hidden Valley Farm Metropolitan District No. 1
Weld County, CO
2023 Budget Narrative**

GENERAL FUND

EXPENDITURES – (continued)

4. Legal fees are estimated based on the annual requirements of the District.
5. District Management costs are based on the contracted costs to manage the District.
6. Dues & subscriptions are the estimated SDA dues and office expenses.
7. Insurance is the estimated charges from the Colorado Special Districts Property and Liability Insurance Pool.
8. The Homeowner Setup, Status Letter and Design Review fees are paid to the District and reimbursed to the District management company.
9. Maintenance is the cost to maintain and water the landscaping, and common areas.
10. Landscape Improvements are approved by the Board with input from homeowners.

CAPITAL FUND

During 2023, public infrastructure improvements to Hidden Valley will continue to be constructed within Hidden Valley Metropolitan Districts Service Area. These improvements will be constructed and paid for by the Developer. They will then be certified for acceptance by the District. Details of the budget are as follows:

REVENUES

1. Developer Advance is budgeted for the amount of the public improvements to be constructed in District #4.
2. Intergovernmental revenue is budgeted for Capital Project Fund from Hidden Valley Metropolitan Districts #4 transferred to District #1 for public improvements.

EXPENDITURES

1. Public Infrastructure costs are estimated for 2023.
2. The District will repay the Developer Advance with the funds from the Bond Issuance.
3. Intergovernmental expenditures to District #1 General Fund.

DEBT AND LEASES

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

RESERVES

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of revenues, excluding Developer Loan Proceeds.

ADDITIONAL INFORMATION

1. The basis of accounting for the District is the Modified Accrual Basis.

CERTIFICATION OF TAX LEVIES^{1,2} for NON-SCHOOL Governments

TO: County Commissioners¹ of Weld County, Colorado.

On behalf of the Hidden Valley Farm Metropolitan District No. 1,
(taxing entity)^A

the Board of Directors
(governing body)^B

of the Hidden Valley Farm Metropolitan District No. 1
(local government)^C


Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 0 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 0 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/08/2022 for budget/fiscal year 2023.
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	<u>0.000</u> mills	\$ <u>0</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	<u>0.000</u> mills	\$ <u>0</u>
3. General Obligation Bonds and Interest ^J	_____ mills	\$ _____
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	<u>0.000</u> mills	\$ <u>0</u>

Contact person: Seef Le Roux Daytime phone: (719) 635-0330

Signed:  Title: Accountant for the District

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

¹ If the *taxing entity's* boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's **FINAL** certification of valuation).

CERTIFICATION OF TAX LEVIES, continued

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.). Taxing entities that are

Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS^J:

1. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

2. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

CONTRACTS^K:

3. Purpose of Contract: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

4. Purpose of Contract: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

LETTER OF BUDGET TRANSMITTAL

Date: January 28, 2023

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

Attached are the 2023 budget and budget message for HIDDEN VALLEY FARM METROPOLITAN DISTRICT NO. 2 in Weld County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on November 10, 2022. If there are any questions on the budget, please contact:

Carrie Bartow
CliftonLarsonAllen LLP
8390 East Crescent Parkway, Suite 500
Greenwood Village, CO 80111
Tel.: 303-779-5710

I, S. Alan Vancil, as Secretary of the Hidden Valley Farm Metropolitan District No. 2, hereby certify that the attached is a true and correct copy of the 2023 budget.

By: S. Alan Vancil

RESOLUTION
TO ADOPT 2023 BUDGET, APPROPRIATE SUMS OF MONEY,
AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY
HIDDEN VALLEY FARM METROPOLITAN DISTRICT NO. 2

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2023 TO HELP DEFRAY THE COSTS OF GOVERNMENT, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE HIDDEN VALLEY FARM METROPOLITAN DISTRICT NO. 2, WELD COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2023, AND ENDING ON THE LAST DAY OF DECEMBER, 2023,

WHEREAS, the Board of Directors of the Hidden Valley Farm Metropolitan District No. 2 has authorized its consultants to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, the proposed budget has been submitted to the Board of Directors of the District for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on November 10, 2022 and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues or planned to be expended from reserves or fund balances so that the budget remains in balance, as required by law; and

WHEREAS, the amount of money necessary to balance the budget for general operating purposes from property tax revenue is \$91,976; and

WHEREAS, the Board of Directors finds that it is required to temporarily lower the operating mill levy to render a refund for \$0; and

WHEREAS, the amount of money necessary to balance the budget for voter-approved bonds and interest is \$459,890; and

WHEREAS, the amount of money necessary to balance the budget for contractual obligation purposes from property tax revenue as approved by voters from property tax revenue is \$0; and

WHEREAS, the amount of money necessary to balance the budget for capital expenditure purposes from property tax revenue as approved by voters or at public hearing is \$0; and

WHEREAS, the amount of money necessary to balance the budget for refunds/abatements is \$0; and

WHEREAS, the 2022 valuation for assessment for the District as certified by the County Assessor of Weld County is \$8,030,770; and

WHEREAS, at an election held on November 5, 2013, the District has eliminated the revenue and expenditure limitations imposed on governmental entities by Article X, Section 20 of the Colorado Constitution and Section 29-1-301, C.R.S., as amended.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE HIDDEN VALLEY FARM METROPOLITAN DISTRICT NO. 2 OF WELD COUNTY, COLORADO:

Section 1. Adoption of Budget. That the budget as submitted, and attached hereto and incorporated herein by this reference, and if amended, then as amended, is hereby approved and adopted as the budget of the Hidden Valley Farm Metropolitan District No. 2 for calendar year 2023.

Section 2. Budget Revenues. That the estimated revenues for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 3. Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 4. Levy of General Property Taxes. That the Board of Directors does hereby certify the levy of general property taxes for collection in 2023 as follows:

A. Levy for General Operating and Other Expenses. That for the purposes of meeting all general operating expense of the District during the 2023 budget year, there is hereby levied a tax of 11.453 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2022.

B. Temporary Tax Credit or Rate Reduction. That pursuant to Section 39-1-111.5, C.R.S. for the purposes of effect of a refund for the purposes set forth in Section 20 of Article X of the Colorado Constitution, there is hereby certified a temporary property tax credit or temporary mill levy rate reduction of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2022.

C. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all debt retirement expense of the District during the 2023 budget

year, as the funding requirements of the current outstanding general obligation indebtedness is detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 57.266 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2022.

D. Levy for Contractual Obligations. That for the purposes of meeting the contractual obligation expense of the District during the 2023 budget year, as detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2022.

E. Levy for Capital Expenditures. That for the purposes of meeting all capital expenditures of the District during the 2023 budget year pursuant to Section 29-1-301(1.2) or 29-1-302(1.5), C.R.S., 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 boundaries of the District for the year 2022.

F. Levy for Refunds/Abatements. That for the purposes of recoupment of refunds/abatements of taxes pursuant to Section 39-10-114(1)(a)(I)(B), C.R.S., 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 boundaries of the District for the year 2022.

Section 5. Property Tax and Fiscal Year Spending Limits. That, being fully informed, the Board finds that the foregoing budget and mill levies do not result in a violation of any applicable property tax or fiscal year spending limitation.

Section 6. Certification. That the appropriate officers of the District are hereby authorized and directed to certify by December 15, 2022, to the Board of County Commissioners of Weld County, Colorado, the mill levies for the District herein above determined and set, or be authorized and directed to certify to the Board of County Commissioners of Weld County, Colorado, as herein above determined and set, but as recalculated as needed upon receipt of the final certification of valuation from the County Assessor on or about December 10, 2022 in order to comply with any applicable revenue and other budgetary limits or to implement the intent of the District. That said certification shall be in substantially the form set out and attached hereto and incorporated herein by this reference.

Section 7. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

ADOPTED this 10th day of November, 2022.

HIDDEN VALLEY FARM METROPOLITAN
DISTRICT NO. 2

Jeff Mark

President

ATTEST:

S. Alan Vancil

Secretary

Hidden Valley Farm Metropolitan District No. 2			
General Fund Budget			
Year Ended 12/31/2023			
Modified Accrual Basis			
	2021	2022	2023
	Actual	Estimated	Proposed Budget
BEGINNING FUND BALANCE			\$ -
REVENUES - OPERATIONS & MAINTENANCE			
Property Tax - Operations & Maintenance	84,461	91,194	91,976
Specific Ownership Tax - Operations & Maintenance	4,238	4,560	4,599
Interest Income on Delinquent taxes	37	30	-
Total Revenues	88,736	95,784	96,575
EXPENDITURES			
County Collection Fee - 1.5% of Property Tax	1,267	1,368	1,380
Payment for Services to District 1 - Operations	87,469	94,416	95,195
Total Expenses	88,736	95,784	96,575
Excess of Revenues over Expenditures	-	-	-
Transfer to District 2 Capital Project Fund	-	-	-
ENDING FUND BALANCE	\$ -	\$ -	\$ -
Emergency Reserve - 3% of Expenses	\$ -	\$ -	\$ -
Unrestricted Fund Balance	\$ -	\$ -	\$ -

Hidden Valley Farm Metropolitan District No. 2			
Debt Service Fund Budget			
Year Ended 12/31/2023			
Modified Accrual Basis			
	2021	2022	2023
	Actual	Estimated	Proposed Budget
BEGINNING FUND BALANCE	\$ 799,295	\$ 811,470	\$ 270,772
REVENUES			
Property Tax	422,335	456,003	459,890
Specific Ownership Tax	21,192	27,128	22,995
Interest Income on Delinquent Property Tax	185	150	-
Total Revenues	443,712	483,281	482,885
EXPENDITURES			
County Collection Fee - 1.5% of Property Tax	6,337	6,840	6,898
Interest Expense - Senior Bonds- Series 2018A	346,200	345,600	344,400
Interest Expense - Subordinate Bonds-Series 2018B	69,000	69,000	69,000
Principal payment - Senior Bond	10,000	20,000	25,000
Principal prepayment - Senior Bond	-	-	-
Total Expenditures	431,537	441,440	445,298
Excess of Revenues over Expenditures	12,175	41,841	37,587
Transfer to D1 Capital Fund the 2016 & 2017 D4 Oil & Gas tax that was not pledged to the D2 Bonds	-	(430,488)	-
Transfer to D1 Capital Fund the D4 Builder Fees that were not pledged revenue to the D2 Bonds	-	(152,051)	-
Net Transfers to The D1 Capital fund	-	(582,539)	-
Net Change in Fund Balance	-	(540,699)	-
ENDING FUND BALANCE	\$ 811,470	\$ 270,772	\$ 308,359
Interest Expense Calculation			
Senior Bond Series 2018A - Issued 12/28/18			\$ 5,740,000
Interest Rate			6%
Annual Interest			\$ 344,400
Subordinate Bond Series 2018B - Issued 12/28/18			\$ 1,150,000
Interest Rate			6%
Annual Interest			\$ 69,000

Hidden Valley Metropolitan District Nos. 1-4					
Property Taxes					
2022 Valuations for 2023 Taxes					
	1509	1510	1511	1512	
	Combined	District	District	District	District
		No. 1	No. 2	No. 3	No. 4
Vacant Residential Land - Market Value	953,737		278,397	-	675,340
Percentage	29%	29%	29%	29%	29%
Assessed Value	276,700		80,740	-	195,960
Residential Land & Improvements - Market Value	212,928,583		113,026,865		99,901,718
Percentage	7.15%		6.95%	7.15%	6.95%
Assessed Value	14,799,270		7,855,650		6,943,620
Commercial	22,320	-	1,257	-	21,063
Percentage	29%	29%	29%	29%	29%
Assessed Value	6,470	-	360	-	6,110
Agricultural	43,459	-	-	-	43,459
Percentage	29%	29%	29%	29%	29%
	11,530	-	-	-	11,530
Producing Oil & Gas Land & Pipelines	4,359,335	-	-	-	4,359,335
Percentage	61.6702%				61.6702%
Assessed Value	2,688,410	-	-	-	2,688,410
Public Utility state value	589,716	-	324,223		265,493
Percentage	29%	29%	29%	29%	29%
Assessed Value	171,010	-	94,020	-	76,990
Total Assessed Value - Final AV	17,953,390	-	8,030,770	-	9,922,620
Mill Levy - General Operating & Debt Service		-	68.719	-	66.108
2022 Property Tax to be paid in 2023	\$ 1,207,831	\$ -	\$ 551,866	\$ -	\$ 655,965
Tax based on Mill Levy for 2023					
Debt Service	\$ 1,006,527	\$ -	\$ 459,890	\$ -	\$ 546,637
General Operating	\$ 201,303	\$ -	\$ 91,976	\$ -	\$ 109,327
Total	\$ 1,207,830	\$ -	\$ 551,866	\$ -	\$ 655,964
Mill Levy for 2023					
Debt Service		-	57.266	-	55.090
General Operating		-	11.453	-	11.018
Total		-	68.719	-	66.108

Hidden Valley Farm Metropolitan District No. 2
Weld County, CO
2023 Budget Narrative

The Hidden Valley Farm Metropolitan District No. 2 is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act, and was formed in April 2014. The District was established as part of a “Multiple District Structure” for The Hidden Valley Farm community located in the Town of Severance, Weld County, Colorado. Along with its companion Districts No. 1 (“Service District”) and Nos. 3 and 4 (“Financing Districts”) this Financing District was organized to provide financing for the design, acquisition, construction and installation of public improvements, facilities and services. The public improvements to be provided by the Districts are proposed to include the types of facilities and improvements for streets and roadways, street landscaping, signage, monuments, and lighting, safety protection, park and recreation, sanitation and storm drainage, water improvements and other related improvements and their operation and maintenance.

The District is authorized to issue General Obligation Debt in an amount not to exceed \$40,000,000. A mill levy cap of 50 mills applies to the District in connection with the General Obligation Debt subject to the Gallagher provisions of the law.

The District has no employees at this time and all operations and administrative functions are contracted.

The following budget is prepared on the modified accrual basis of accounting, in accordance with requirements of Colorado Revised Statutes C.R.S. 29-1-105.

GENERAL FUND
REVENUES

1. Property Taxes are based on the assessed value of property within the District as established by Weld County. Mill levies are budgeted for Operations and Maintenance at 11.453 mills.
2. Specific ownership taxes are budgeted at 6% of property taxes collected. These taxes are set by the state and collected by the county treasurer primarily on vehicle licensing within the county as a whole. They are allocated by the county treasurer to all taxing entities within the county.

EXPENDITURES

1. The County property tax collection fee is based on 1.5% of the property tax received.
2. Net Operations & Maintenance tax revenues are paid as Intergovernmental Expenses for services to District #1.

**Hidden Valley Farm Metropolitan District No. 2
Weld County, CO
2023 Budget Narrative**

**CAPITAL FUND
REVENUES**

The District has budgeted no revenues for 2023.

EXPENDITURES

The District has budgeted no expenditures for 2023.

**DEBT SERVICE FUND
REVENUES**

1. Property Taxes are based on the assessed value of property within the District as established by Weld County. Mill levies are budgeted for Debt Service at 57.266 mills.
2. Specific ownership taxes are budgeted at 6% of property taxes collected. These taxes are set by the state and collected by the county treasurer primarily on vehicle licensing within the county as a whole. They are allocated by the county treasurer to all taxing entities within the county.

**DEBT SERVICE FUND
EXPENDITURES**

1. The County property tax collection fee is based on 1.5% of the property tax received.
2. Principal and interest on the Bonds is budgeted in the amount of \$438,400.

DEBT AND LEASES

The District has no operating or capital leases.

RESERVES

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year revenues. Since substantially all funds received by the District are transferred to District #1, which pays for all of the Districts' operations and maintenance costs, an emergency reserve is not reflected in the District's Budget.

ADDITIONAL INFORMATION

2. The basis of accounting for the District is the Modified Accrual Basis.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Weld County, Colorado.

On behalf of the Hidden Valley Farm Metropolitan District No. 2,
(taxing entity)^A

the Board of Directors
(governing body)^B

of the Hidden Valley Farm Metropolitan District No. 2
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 8,030,770 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 8,030,770 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/08/2022 for budget/fiscal year 2023.
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE <small>(see end notes for definitions and examples)</small>	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	11.453 mills	\$ 91,976
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	11.453 mills	\$ 91,976
3. General Obligation Bonds and Interest ^J	57.266 mills	\$ 459,890
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
	_____ mills	\$ _____
TOTAL: <small>[Sum of General Operating Subtotal and Lines 3 to 7]</small>	68.719 mills	\$ 551,866

Contact person: Seef Le Roux Daytime phone: (719) 635 - 0330

Signed:  Title: Accountant for the District

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

¹ If the *taxing entity's* boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's **FINAL** certification of valuation).

CERTIFICATION OF TAX LEVIES, continued

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.). Taxing entities that are

Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS^J:

- | | | |
|-------|-------------------|--|
| 1. | Purpose of Issue: | Public infrastructure |
| | Series: | Series 2018A Limited Tax General Obligation Bonds |
| | Date of Issue: | 12/28/18 |
| | Coupon Rate: | 6.00% |
| | Maturity Date: | 12/1/2050 |
| | Levy: | 48.253 |
| | Revenue: | \$387,509 |
| <hr/> | | |
| 2. | Purpose of Issue: | Public infrastructure |
| | Series: | Series 2018B Subordinate Limited Tax General Obligation Bond |
| | Date of Issue: | 12/28/18 |
| | Coupon Rate: | 6.00% |
| | Maturity Date: | 12/15/2050 |
| | Levy: | 9.013 |
| | Revenue: | \$72,381 |

CONTRACTS^K:

- | | | |
|-------|----------------------|-------|
| 3. | Purpose of Contract: | _____ |
| | Title: | _____ |
| | Date: | _____ |
| | Principal Amount: | _____ |
| | Maturity Date: | _____ |
| | Levy: | _____ |
| | Revenue: | _____ |
| <hr/> | | |
| 4. | Purpose of Contract: | _____ |
| | Title: | _____ |
| | Date: | _____ |
| | Principal Amount: | _____ |
| | Maturity Date: | _____ |
| | Levy: | _____ |
| | Revenue: | _____ |

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

LETTER OF BUDGET TRANSMITTAL

Date: January 23, 2023

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

Attached are the 2023 budget and budget message for HIDDEN VALLEY FARM METROPOLITAN DISTRICT NO. 3 in Weld County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on November 10, 2022. If there are any questions on the budget, please contact:

Carrie Bartow
CliftonLarsonAllen LLP
8390 East Crescent Parkway, Suite 500
Greenwood Village, CO 80111
Tel.: 303-779-5710

I, S. Alan Vancil, as Secretary of the Hidden Valley Farm Metropolitan District No. 3, hereby certify that the attached is a true and correct copy of the 2023 budget.

By: S. Alan Vancil

**RESOLUTION
TO ADOPT 2023 BUDGET, APPROPRIATE SUMS OF MONEY,
AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY
HIDDEN VALLEY FARM METROPOLITAN DISTRICT NO. 3**

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2023 TO HELP DEFRAY THE COSTS OF GOVERNMENT, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE HIDDEN VALLEY FARM METROPOLITAN DISTRICT NO. 3, WELD COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2023, AND ENDING ON THE LAST DAY OF DECEMBER, 2023,

WHEREAS, the Board of Directors of the Hidden Valley Farm Metropolitan District No. 3 has authorized its consultants to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, the proposed budget has been submitted to the Board of Directors of the District for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on November 10, 2022 and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues or planned to be expended from reserves or fund balances so that the budget remains in balance, as required by law; and

WHEREAS, the amount of money necessary to balance the budget for general operating purposes from property tax revenue is \$0; and

WHEREAS, the Board of Directors finds that it is required to temporarily lower the operating mill levy to render a refund for \$0; and

WHEREAS, the amount of money necessary to balance the budget for voter-approved bonds and interest is \$0; and

WHEREAS, the amount of money necessary to balance the budget for contractual obligation purposes from property tax revenue as approved by voters from property tax revenue is \$0; and

WHEREAS, the amount of money necessary to balance the budget for capital expenditure purposes from property tax revenue as approved by voters or at public hearing is \$0; and

WHEREAS, the amount of money necessary to balance the budget for refunds/abatements is \$0; and

WHEREAS, the 2022 valuation for assessment for the District as certified by the County Assessor of Weld County is \$0; and

WHEREAS, at an election held on November 5, 2013, the District has eliminated the revenue and expenditure limitations imposed on governmental entities by Article X, Section 20 of the Colorado Constitution and Section 29-1-301, C.R.S., as amended.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE HIDDEN VALLEY FARM METROPOLITAN DISTRICT NO. 3 OF WELD COUNTY, COLORADO:

Section 1. Adoption of Budget. That the budget as submitted, and attached hereto and incorporated herein by this reference, and if amended, then as amended, is hereby approved and adopted as the budget of the Hidden Valley Farm Metropolitan District No. 3 for calendar year 2023.

Section 2. Budget Revenues. That the estimated revenues for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 3. Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 4. Levy of General Property Taxes. That the Board of Directors does hereby certify the levy of general property taxes for collection in 2023 as follows:

A. Levy for General Operating and Other Expenses. That for the purposes of meeting all general operating expense 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 for the year 2022.

B. Temporary Tax Credit or Rate Reduction. That pursuant to Section 39-1-111.5, C.R.S. for the purposes of effect of a refund for the purposes set forth in Section 20 of Article X of the Colorado Constitution, there is hereby certified a temporary property tax credit or temporary mill levy rate reduction of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2022.

C. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all debt retirement expense of the District during the 2023 budget

year, as the funding requirements of the current outstanding general obligation indebtedness is detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2022.

D. Levy for Contractual Obligations. That for the purposes of meeting the contractual obligation expense of the District during the 2023 budget year, as detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2022.

E. Levy for Capital Expenditures. That for the purposes of meeting all capital expenditures of the District during the 2023 budget year pursuant to Section 29-1-301(1.2) or 29-1-302(1.5), C.R.S., 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 boundaries of the District for the year 2022.

F. Levy for Refunds/Abatements. That for the purposes of recoupment of refunds/abatements of taxes pursuant to Section 39-10-114(1)(a)(I)(B), C.R.S., 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 boundaries of the District for the year 2022.

Section 5. Property Tax and Fiscal Year Spending Limits. That, being fully informed, the Board finds that the foregoing budget and mill levies do not result in a violation of any applicable property tax or fiscal year spending limitation.

Section 6. Certification. That the appropriate officers of the District are hereby authorized and directed to certify by December 15, 2022, to the Board of County Commissioners of Weld County, Colorado, the mill levies for the District herein above determined and set, or be authorized and directed to certify to the Board of County Commissioners of Weld County, Colorado, as herein above determined and set, but as recalculated as needed upon receipt of the final certification of valuation from the County Assessor on or about December 10, 2022 in order to comply with any applicable revenue and other budgetary limits or to implement the intent of the District. That said certification shall be in substantially the form set out and attached hereto and incorporated herein by this reference.

Section 7. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

ADOPTED this 10th day of November, 2022.

HIDDEN VALLEY FARM METROPOLITAN
DISTRICT NO. 3

Jeff Mark

President

ATTEST:

S. Alan Vancil

Secretary

Hidden Valley Farm Metropolitan District No. 3			
General Fund Budget			
Year Ended 12/31/2023			
Modified Accrual Basis			
	2021	2022	2023
	Actual	Estimated	Proposed Budget
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
REVENUES			
Property Tax	-	-	-
Total Revenues	-	-	-
EXPENDITURES			
Intergovernmental Expense - District 1	-	-	-
Total Expenses	-	-	-
Excess of Revenues over Expenditures	-	-	-
ENDING FUND BALANCE	\$ -	\$ -	\$ -
Emergency Reserve - 3% of Expenses	\$ -	\$ -	\$ -
Unrestricted Fund Balance	\$ -	\$ -	\$ -

Hidden Valley Metropolitan District Nos. 1-4					
Property Taxes					
2022 Valuations for 2023 Taxes					
	1509	1510	1511	1512	
	Combined	District	District	District	District
		No. 1	No. 2	No. 3	No. 4
Vacant Residential Land - Market Value	953,737		278,397	-	675,340
Percentage	29%	29%	29%	29%	29%
Assessed Value	276,700		80,740	-	195,960
Residential Land & Improvements - Market Value	212,928,583		113,026,865		99,901,718
Percentage	7.15%		6.95%	7.15%	6.95%
Assessed Value	14,799,270		7,855,650		6,943,620
Commercial	22,320	-	1,257	-	21,063
Percentage	29%	29%	29%	29%	29%
Assessed Value	6,470	-	360	-	6,110
Agricultural	43,459	-	-	-	43,459
Percentage	29%	29%	29%	29%	29%
Assessed Value	11,530	-	-	-	11,530
Producing Oil & Gas Land & Pipelines	4,359,335	-	-	-	4,359,335
Percentage	61.6702%				61.6702%
Assessed Value	2,688,410	-	-	-	2,688,410
Public Utility state value	589,716	-	324,223		265,493
Percentage	29%	29%	29%	29%	29%
Assessed Value	171,010	-	94,020	-	76,990
Total Assessed Value - Final AV	17,953,390	-	8,030,770	-	9,922,620
Mill Levy - General Operating & Debt Service		-	68.719	-	66.108
2022 Property Tax to be paid in 2023	\$ 1,207,831	\$ -	\$ 551,866	\$ -	\$ 655,965
Tax based on Mill Levy for 2023					
Debt Service	\$ 1,006,527	\$ -	\$ 459,890	\$ -	\$ 546,637
General Operating	\$ 201,303	\$ -	\$ 91,976	\$ -	\$ 109,327
Total	\$ 1,207,830	\$ -	\$ 551,866	\$ -	\$ 655,964
Mill Levy for 2023					
Debt Service		-	57.266	-	55.090
General Operating		-	11.453	-	11.018
Total		-	68.719	-	66.108

**Hidden Valley Farm Metropolitan District No. 3
Weld County, CO
2023 Budget Narrative**

The Hidden Valley Farm Metropolitan District No. 3 is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act, and was formed in April 2014. The District was established as part of a “Multiple District Structure” for The Hidden Valley Farm community located in the Town of Severance, Weld County, Colorado. Along with its companion Districts No. 1 (“Service District”) and Nos. 2 and 4 (“Financing Districts”) this Financing District was organized to provide financing for the design, acquisition, construction and installation of public improvements, facilities and services. The public improvements to be provided by the Districts are proposed to include the types of facilities and improvements for streets and roadways, street landscaping, signage, monuments, and lighting, safety protection, park and recreation, sanitation and storm drainage, water improvements and other related improvements and their operation and maintenance.

The District has no employees at this time and all operations and administrative functions are contracted.

The following budget is prepared on the modified accrual basis of accounting, in accordance with requirements of Colorado Revised Statutes C.R.S. 29-1-105.

**GENERAL FUND
REVENUES**

The District has no assessed valuation as of 12/9/22. No mill levy has been certified and no revenue is budgeted for 2023.

EXPENDITURES

No expenses are budgeted in 2023 for the District.

DEBT AND LEASES

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

RESERVES

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year revenues. Since the District has no revenues, an emergency reserve is not reflected in the District’s Budget.

ADDITIONAL INFORMATION

3. The basis of accounting for the District is the Modified Accrual Basis.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Weld County, Colorado.

On behalf of the Hidden Valley Farm Metropolitan District No. 3,
(taxing entity)^A

the Board of Directors
(governing body)^B

of the Hidden Valley Farm Metropolitan District No. 3
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 0 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 0 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/08/2022 for budget/fiscal year 2023.
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	<u>0.000</u> mills	\$ <u>0</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	0.000 mills	\$ 0
3. General Obligation Bonds and Interest ^J	_____ mills	\$ _____
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	0.000 mills	\$ 0

Contact person: Seef Le Roux Daytime phone: (719) 635 - 0330

Signed:  Title: Accountant for the District

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

¹ If the *taxing entity's* boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's **FINAL** certification of valuation).

CERTIFICATION OF TAX LEVIES, continued

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.). Taxing entities that are

Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS^J:

1. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

2. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

CONTRACTS^K:

3. Purpose of Contract: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

4. Purpose of Contract: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

LETTER OF BUDGET TRANSMITTAL

Date: January 28, 2023

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

Attached are the 2023 budget and budget message for HIDDEN VALLEY FARM METROPOLITAN DISTRICT NO. 4 in Weld County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on November 10, 2022. If there are any questions on the budget, please contact:

Carrie Bartow
CliftonLarsonAllen LLP
8390 East Crescent Parkway, Suite 500
Greenwood Village, CO 80111
Tel.: 303-779-5710

I, S. Alan Vancil, as Secretary of the Hidden Valley Farm Metropolitan District No. 4, hereby certify that the attached is a true and correct copy of the 2023 budget.

By: S. Alan Vancil

RESOLUTION
TO ADOPT 2023 BUDGET, APPROPRIATE SUMS OF MONEY,
AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY
HIDDEN VALLEY FARM METROPOLITAN DISTRICT NO. 4

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2023 TO HELP DEFRAY THE COSTS OF GOVERNMENT, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE HIDDEN VALLEY FARM METROPOLITAN DISTRICT NO. 4, WELD COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2023, AND ENDING ON THE LAST DAY OF DECEMBER, 2023,

WHEREAS, the Board of Directors of the Hidden Valley Farm Metropolitan District No. 4 has authorized its consultants to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, the proposed budget has been submitted to the Board of Directors of the District for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on November 10, 2022 and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues or planned to be expended from reserves or fund balances so that the budget remains in balance, as required by law; and

WHEREAS, the amount of money necessary to balance the budget for general operating purposes from property tax revenue is \$109,328; and

WHEREAS, the Board of Directors finds that it is required to temporarily lower the operating mill levy to render a refund for \$0; and

WHEREAS, the amount of money necessary to balance the budget for voter-approved bonds and interest is \$546,637; and

WHEREAS, the amount of money necessary to balance the budget for contractual obligation purposes from property tax revenue as approved by voters from property tax revenue is \$0; and

WHEREAS, the amount of money necessary to balance the budget for capital expenditure purposes from property tax revenue as approved by voters or at public hearing is \$0; and

WHEREAS, the amount of money necessary to balance the budget for refunds/abatements is \$0; and

WHEREAS, the 2022 valuation for assessment for the District as certified by the County Assessor of Weld County is \$9,922,620; and

WHEREAS, at an election held on November 5, 2013, the District has eliminated the revenue and expenditure limitations imposed on governmental entities by Article X, Section 20 of the Colorado Constitution and Section 29-1-301, C.R.S., as amended.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE HIDDEN VALLEY FARM METROPOLITAN DISTRICT NO. 4 OF WELD COUNTY, COLORADO:

Section 1. Adoption of Budget. That the budget as submitted, and attached hereto and incorporated herein by this reference, and if amended, then as amended, is hereby approved and adopted as the budget of the Hidden Valley Farm Metropolitan District No. 4 for calendar year 2023.

Section 2. Budget Revenues. That the estimated revenues for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 3. Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 4. Levy of General Property Taxes. That the Board of Directors does hereby certify the levy of general property taxes for collection in 2023 as follows:

A. Levy for General Operating and Other Expenses. That for the purposes of meeting all general operating expense of the District during the 2023 budget year, there is hereby levied a tax of 11.018 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2022.

B. Temporary Tax Credit or Rate Reduction. That pursuant to Section 39-1-111.5, C.R.S. for the purposes of effect of a refund for the purposes set forth in Section 20 of Article X of the Colorado Constitution, there is hereby certified a temporary property tax credit or temporary mill levy rate reduction of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2022.

C. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all debt retirement expense of the District during the 2023 budget

year, as the funding requirements of the current outstanding general obligation indebtedness is detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 55.090 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2022.

D. Levy for Contractual Obligations. That for the purposes of meeting the contractual obligation expense of the District during the 2023 budget year, as detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2022.

E. Levy for Capital Expenditures. That for the purposes of meeting all capital expenditures of the District during the 2023 budget year pursuant to Section 29-1-301(1.2) or 29-1-302(1.5), C.R.S., 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 boundaries of the District for the year 2022.

F. Levy for Refunds/Abatements. That for the purposes of recoupment of refunds/abatements of taxes pursuant to Section 39-10-114(1)(a)(I)(B), C.R.S., 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 boundaries of the District for the year 2022.

Section 5. Property Tax and Fiscal Year Spending Limits. That, being fully informed, the Board finds that the foregoing budget and mill levies do not result in a violation of any applicable property tax or fiscal year spending limitation.

Section 6. Certification. That the appropriate officers of the District are hereby authorized and directed to certify by December 15, 2022, to the Board of County Commissioners of Weld County, Colorado, the mill levies for the District herein above determined and set, or be authorized and directed to certify to the Board of County Commissioners of Weld County, Colorado, as herein above determined and set, but as recalculated as needed upon receipt of the final certification of valuation from the County Assessor on or about December 10, 2022 in order to comply with any applicable revenue and other budgetary limits or to implement the intent of the District. That said certification shall be in substantially the form set out and attached hereto and incorporated herein by this reference.

Section 7. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

ADOPTED this 10th day of November, 2022.

HIDDEN VALLEY FARM METROPOLITAN
DISTRICT NO. 4

Jeff Mark

President

ATTEST:

S. Alan Vancil

Secretary

Hidden Valley Farm Metropolitan District No. 4			
General Fund Budget			
Year Ended 12/31/2023			
Modified Accrual Basis			
	2021	2022	2023
	Actual	Estimated	Proposed Budget
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
REVENUES			
Property Tax - Operations & Maintenance	49,184	70,406	109,328
Specific Ownership Tax - Operations & Maintenance	2,469	3,520	5,466
Interest on Delinquent Property Tax	130	67	-
Total Revenues	51,783	73,993	114,794
EXPENDITURES			
County Collection Fee - 1.5% of Operations Tax	739	1,056	1,640
Payment for Services to District 1 - Operations	51,044	72,937	113,154
Total Expenses	51,783	73,993	114,794
Excess of Revenues over Expenditures	-	-	-
ENDING FUND BALANCE	\$ -	\$ -	\$ -
Emergency Reserve - 3% of Expenses	\$ -	\$ -	\$ -
Unrestricted Fund Balance	\$ -	\$ -	\$ -

Hidden Valley Farm Metropolitan District No. 4			
Capital Fund Budget			
Year Ended 12/31/2023			
Modified Accrual Basis			
	2021	2022	2023
	Actual	Estimate 12/31/22	Proposed Budget
BEGINNING FUND BALANCE	\$ (2,500)	\$ 25,500	\$ -
REVENUES			
District fees from Lot Sales	57,000	75,000	130,500
Developer Advance		-	8,430,000
Bond Proceeds		-	8,430,000
Total Revenues	57,000	75,000	16,990,500
EXPENDITURES			
Bond issue costs		1,806	50,000
Repay Developer Advance			8,430,000
Transfer to District 1 Capital Fund			8,430,000
Total Expenses	-	1,806	16,910,000
Excess of Revenues over Expenditures	57,000	73,194	80,500
Trsfr from D2 Debt Fund		-	
Transfer to District 4 Debt Service Fund	(29,000)		(80,500)
Transfer to D1 Capital Fund - Balance of Builder Fees to pay Down D1 Capital Fund Developer Advance		(98,694)	
Repay Developer Advance		-	
Net Change in Fund Balance	28,000	(25,500)	-
ENDING FUND BALANCE	\$ 25,500	\$ -	\$ -

Hidden Valley Farm Metropolitan District No. 4			
Debt Service Fund Budget			
Year Ended 12/31/2023			
Modified Accrual Basis			
	2021	2022	2023
	Actual	Estimated 12/31/22	Proposed Budget
BEGINNING FUND BALANCE	\$ 338,250	\$ 134,889	\$ 15,306
REVENUES			
Property Tax	245,930	352,023	546,637
Interest on Delinquent Property Tax	652	333	-
Specific Ownership Tax	12,358	20,943	27,332
Total Revenues	258,940	373,299	573,969
EXPENDITURES			
County Collection Fee - 1.5% of Property Tax	3,699	5,280	8,200
Interest Expense - Sr. Debt	487,602	487,602	661,575
Total Expenditures	491,301	492,882	669,775
Excess (Deficit) of Revenues over Expenditures	(232,361)	(119,583)	(95,806)
Transfer from District 4 Capital Projects Fund	29,000		80,500
Transfer from District 1 Capital Projects Fund			-
Net Change in Fund Balance	(203,361)	(119,583)	(15,306)
ENDING FUND BALANCE	\$ 134,889	\$ 15,306	\$ -
Interest Expense on Bonds			
Bond Principal - Series 2020	\$ 9,156,843	\$ 9,156,843	\$ 17,586,843
Interest Rate	5.325%	5.325%	5.325%
Annual Interest	\$ 487,602	\$ 487,602	\$ 936,499
Amounts payable in 2022 & 2023	487,602	487,602	661,575
Interest payable 12/1/23	\$ -	\$ -	274,924
Initial Principal			9,156,843
Filing 6 Estimated Fillup Costs are more than the fillup estimate			8,430,000
Total			17,586,843

Hidden Valley Metropolitan District Nos. 1-4					
Property Taxes					
2022 Valuations for 2023 Taxes					
	Combined	District No. 1	District No. 2	District No. 3	District No. 4
Vacant Residential Land - Market Value	953,737		278,397	-	675,340
Percentage	29%	29%	29%	29%	29%
Assessed Value	276,700		80,740	-	195,960
Residential Land & Improvements - Market Value	212,928,583		113,026,865		99,901,718
Percentage	7.15%		6.95%	7.15%	6.95%
Assessed Value	14,799,270		7,855,650		6,943,620
Commercial	22,320	-	1,257	-	21,063
Percentage	29%	29%	29%	29%	29%
Assessed Value	6,470	-	360	-	6,110
Agricultural	43,459	-	-	-	43,459
Percentage	29%	29%	29%	29%	29%
Assessed Value	11,530	-	-	-	11,530
Producing Oil & Gas Land & Pipelines	4,359,335	-	-	-	4,359,335
Percentage	61.6702%				61.6702%
Assessed Value	2,688,410	-	-	-	2,688,410
Public Utility state value	589,716	-	324,223		265,493
Percentage	29%	29%	29%	29%	29%
Assessed Value	171,010	-	94,020	-	76,990
Total Assessed Value - Final AV	17,953,390	-	8,030,770	-	9,922,620
Mill Levy - General Operating & Debt Service		-	68.719	-	66.108
2022 Property Tax to be paid in 2023	\$ 1,207,831	\$ -	\$ 551,866	\$ -	\$ 655,965
Tax based on Mill Levy for 2023					
Debt Service	\$ 1,006,527	\$ -	\$ 459,890	\$ -	\$ 546,637
General Operating	\$ 201,304	\$ -	\$ 91,976	\$ -	\$ 109,328
Total	\$ 1,207,831	\$ -	\$ 551,866	\$ -	\$ 655,965
Mill Levy for 2023					
Debt Service		-	57.266	-	55.090
General Operating		-	11.453	-	11.018
Total		-	68.719	-	66.108

Hidden Valley Farm Metropolitan District No. 4
Weld County, CO
2023 Budget Narrative

The Hidden Valley Farm Metropolitan District No. 4 is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act, and was formed in April 2014. The District was established as part of a “Multiple District Structure” for The Hidden Valley Farm community located in the Town of Severance, Weld County, Colorado. Along with its companion Districts No. 1 (“Service District”) and Nos. 2 and 3 (“Financing Districts”) this Financing District was organized to provide financing for the design, acquisition, construction and installation of public improvements, facilities and services. The public improvements to be provided by the Districts are proposed to include the types of facilities and improvements for streets and roadways, street landscaping, signage, monuments, and lighting, safety protection, park and recreation, sanitation and storm drainage, water improvements and other related improvements and their operation and maintenance.

The District is authorized to issue General Obligation Debt in an amount not to exceed \$40,000,000. A mill levy cap of 50 mills applies to the District in connection with the General Obligation Debt, subject to adjustment under the Gallagher laws.

The District has no employees at this time and all operations and administrative functions are contracted.

The following budget is prepared on the modified accrual basis of accounting, in accordance with requirements of Colorado Revised Statutes C.R.S. 29-1-105.

GENERAL FUND
REVENUES

1. Property Taxes are based on the assessed value of property within the District as established by Weld County. Mill levies are budgeted for Operations and Maintenance at 11.018 mills.
2. Specific ownership taxes are budgeted at 5% of property taxes collected. These taxes are set by the state and collected by the county treasurer primarily on vehicle licensing within the county as a whole. They are allocated by the county treasurer to all taxing entities within the county.

GENERAL FUND
EXPENDITURES

1. The County property tax collection fee is based on 1.5% of the property tax received.
2. Net Operations & Maintenance tax revenues are paid as Intergovernmental Expenses for services to District 1 General Fund.

**Hidden Valley Farm Metropolitan District No. 4
Weld County, CO
2023 Budget Narrative**

CAPITAL FUND

During 2023, public infrastructure improvements to Hidden Valley will continue to be constructed within Hidden Valley Metropolitan Districts Service Area. These improvements will be constructed and paid for by the Developer. They will then be certified for acceptance by the District. Details of the budget are as follows:

REVENUES

1. Developer Advance is budgeted for the amount of the public improvements to be constructed in District #4.
2. The bond issuance is the estimated amount of the bond issuance for District #4 public improvement costs and cost of issuance.
3. District fees from lot sales is budgeted for 2023.

EXPENDITURES

1. The District will transfer sufficient funds from the bond issue to the District #1 Capital Fund for the cost of the public improvements constructed within the District. Transfer funds to District #4 Debt Service Fund.
2. The estimated cost of issuance of the bonds is budgeted.
3. The District will repay the Developer Advance with the funds from the Bond Issuance.

DEBT SERVICE FUND

REVENUES

1. Property Taxes are based on the assessed value of property within the District as established by Weld County. Mill levies are budgeted for Debt Service at 55.090 mills.
2. Specific ownership taxes are budgeted at 5% of property taxes collected. These taxes are set by the state and collected by the county treasurer primarily on vehicle licensing within the county as a whole. They are allocated by the county treasurer to all taxing entities within the county.

DEBT SERVICE FUND

EXPENDITURES

1. The County property tax collection fee is based on 1.5% of the property tax received.
2. Interest on the Bond is budgeted in the amount of \$661,575.

DEBT AND LEASES

The District has no operating or capital leases.

Hidden Valley Farm Metropolitan District No. 4
Weld County, CO
2023 Budget Narrative

RESERVES

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year revenues. Since substantially all funds received by the District are transferred to District #1, which pays for all of the Districts' operations and maintenance costs, an emergency reserve is not reflected in the District's Budget.

ADDITIONAL INFORMATION

1. The basis of accounting for the District is the Modified Accrual Basis.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Weld County, Colorado.

On behalf of the Hidden Valley Farm Metropolitan District No. 4,
(taxing entity)^A

the Board of Directors
(governing body)^B

of the Hidden Valley Farm Metropolitan District No. 4
(local government)^C


Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 9,922,620 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 9,922,620 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/08/2022 for budget/fiscal year 2023.
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE <small>(see end notes for definitions and examples)</small>	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	<u>11.018</u> mills	\$ <u>109,328</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	<u>11.018</u> mills	\$ <u>109,328</u>
3. General Obligation Bonds and Interest ^J	<u>55.090</u> mills	\$ <u>546,637</u>
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
	_____ mills	\$ _____
TOTAL: <small>[Sum of General Operating Subtotal and Lines 3 to 7]</small>	<u>66.108</u> mills	\$ <u>655,965</u>

Contact person: Seef Le Roux Daytime phone: (719) 635 - 0330

Signed:  Title: Accountant for the District

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

¹ If the *taxing entity's* boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's **FINAL** certification of valuation).

CERTIFICATION OF TAX LEVIES, continued

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.). Taxing entities that are

Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS^J:

- | | | |
|----|-------------------|---|
| 1. | Purpose of Issue: | Public Infrastructure |
| | Series: | Limited Tax General Obligation Bonds, Series 2020 |
| | Date of Issue: | July 1, 2020 |
| | Coupon Rate: | 5.325% |
| | Maturity Date: | December 1, 2059 |
| | Levy: | 55.090 |
| | Revenue: | \$546,637 |
| | | |
| 2. | Purpose of Issue: | _____ |
| | Series: | _____ |
| | Date of Issue: | _____ |
| | Coupon Rate: | _____ |
| | Maturity Date: | _____ |
| | Levy: | _____ |
| | Revenue: | _____ |

CONTRACTS^K:

- | | | |
|----|----------------------|-------|
| 3. | Purpose of Contract: | _____ |
| | Title: | _____ |
| | Date: | _____ |
| | Principal Amount: | _____ |
| | Maturity Date: | _____ |
| | Levy: | _____ |
| | Revenue: | _____ |
| | | |
| 4. | Purpose of Contract: | _____ |
| | Title: | _____ |
| | Date: | _____ |
| | Principal Amount: | _____ |
| | Maturity Date: | _____ |
| | Levy: | _____ |
| | Revenue: | _____ |

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.