RESOLUTION
ADOPTING BUDGET, APPROPRIATING SUMS OF MONEY AND CERTIFYING MILL LEVIES FOR THE CALENDAR YEAR 2025

The Board of Directors of Summerfield Metropolitan District No. 3 (the "**Board**"), Town of Erie, Weld County, Colorado (the "**District**"), held a regular meeting, via teleconference on October 24, 2024, 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.

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NOTICE AS TO PROPOSED 2025 BUDGET

NOTICE OF PUBLIC HEARING ON THE PROPOSED 2025 BUDGET AND NOTICE OF PUBLIC HEARING ON THE AMENDED 2024 BUDGET

The Board of Directors (the "Board") of SUMMERFIELD METROPOLITAN DISTRICT NOS. 1-3 (collectively the "District"), will hold a public hearing at via teleconference on October 24, 2024, at 10:00 AM, to consider adoption of the District's proposed 2025 budget (the "Proposed Budget"), and, if necessary, adoption of an amendment to the 2024 budget (the "Amended Budget"). The public hearing may be joined using the following teleconference information:

Zoom Meeting Link:
https://us06web.zoom.us/j/84174926721?pwd=1KBBm0Hb1lG1bPRvFWrKBxoEgKztYS.1
Meeting ID: 841 7492 6721
Passcode: 961783
Call In Numbers: 1(720) 707-2699 or 1(719) 359-4580

The Proposed Budget and Amended Budget are available for inspection by the public at the offices of CliftonLarsonAllen, LLP, 8390 East Crescent Parkway, Suite 300, Greenwood Village, CO 80111.
Any interested elector of the District may file any objections to the Proposed Budget and Amended Budget at any time prior to the final adoption of the Proposed Budget or the Amended Budget by the Board.
The agenda for any meeting may be obtained at https://summerfieldmetrodistricts.specialdistrict.org/ or by calling (303) 858-1800.
BY ORDER OF THE BOARD OF DIRECTORS:
SUMMERFIELD METROPOLITAN DISTRICT NOS. 1-3, a quasi-municipal corporation and political subdivision of the State of Colorado

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

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Prairie Mountain Media, LLC

PUBLISHER'S AFFIDAVIT

County of Boulder
State of Colorado

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

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

Oct 2, 2024

Signature

Subscribed and sworn to me before me this 2nd day of October, 2024.

Shayla Najera
Notary Public

(SEAL)

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

Account:	1051175
Ad Number:	2076570
Fee:	$36.83

WHEREAS, the Board has appointed 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 available for inspection by the public at a designated place, a public hearing was held and interested electors of the District were provided a public comment period and given the opportunity to file any objections to the proposed budget prior to the final 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 2025. 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 of Property Taxes. The Board does hereby certify the levy of property taxes for collection in 2025 as more specifically set out in the budget attached hereto.

Section 3. 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 4. Certification to County Commissioners. The Board directs its legal counsel, manager, accountant, or other designee to certify to the Board of County Commissioners of Weld County, Colorado the mill levies for the District as set forth herein. Such certification shall be in compliance with the requirements of Colorado law.

Section 5. Appropriations. The amounts set forth as expenditures in the budget attached hereto are hereby appropriated from the revenue of each fund for the purposes stated.

Section 6. 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 7. Budget Certification. The budget shall be certified by a member of the District, or a person appointed by the District, and made a part of the public records of the District.

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ADOPTED OCTOBER 24, 2024.

DISTRICT:

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

By: Jon Lee
Jon Lee (Dec 13, 2024 15:15 MST)
Officer of the District

ATTEST:

By: Jessica Brothers

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

General Counsel to the District

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

I hereby certify that the foregoing resolution constitutes a true and correct copy of the record of proceedings of the Board adopted by a majority of the Board at a District meeting held at via teleconference on Thursday, October 24, 2024, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 24th day of October, 2024.

Jessica Brothers
Signature

EXHIBIT A

BUDGET DOCUMENT

BUDGET MESSAGE

SUMMERFIELD METROPOLITAN DISTRICT NO. 3

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2025

SUMMERFIELD METROPOLITAN DISTRICT NO.3
PROPERTY TAX SUMMARY INFORMATION
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
ASSESSED VALUATION			
Commercial	$ 130.0	$ 80.0	$ 40.0
Agricultural	1,850	1,620	-
State assessed	128,700	8,770	8,540
Vacant land	-	-	218,770
Oil and Gas	28,410	96,570	134,250
	159,090	107,040	361,600
Certified Assessed Value	$ 159,090	$ 107,040	$ 361,600
MILL LEVY			
General	57.220	59.403	51.971
Total mill levy	57.220	59.403	51.971
PROPERTY TAXES			
General	$ 9,103	$ 6,358	$ 18,793
Levied property taxes	9,103	6,358	18,793
Adjustments to actual/rounding	-	155	-
Refunds and abatements	(1,852)	-	-
Budgeted property taxes	$ 7,251	$ 6,513	$ 18,793
BUDGETED PROPERTY TAXES			
General	**$ 7,251**	**$ 6,513**	**$ 18,793**
	$ 7,251	**$ 6,513**	**$ 18,793**

No assurance provided. See summary of significant assumptions.

SUMMERFIELD METROPOLITAN DISTRICT NO.3
GENERAL FUND
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	$ 2,367	$ 7,993	$ 10,281
REVENUES			
Property taxes	7,251	6,513	18,793
Specific ownership taxes	387	250	860
Interest Income	240	622	600
Intergovernmental Revenues	2,672	-	-
Total revenues	10,550	7,385	20,253
Total funds available	12,917	15,378	30,534
EXPENDITURES			
General and administrative			
Accounting	782	-	-
Auditing	1,890	-	-
County Treasurer's Fee	109	98	322
Dues and Membership	237	-	-
Insurance	1,906	-	-
Intergovernmental Expenditures	-	5,000	10,000
Total expenditures	4,924	5,098	10,322
Total expenditures and transfers out requiring appropriation	4,924	5,098	10,322
ENDING FUND BALANCES	$ 7,993	$ 10,281	$ 20,212
EMERGENCY RESERVE	$ 400	$ 300	$ 700
AVAILABLE FOR OPERATIONS	7,593	9,981	19,512
TOTAL RESERVE	$ 7,993	$ 10,281	$ 20,212

No assurance provided. See summary of significant assumptions.

SUMMERFIELD METROPOLITAN DISTRICT NO. 3
2025 BUDGET
SUMMARY OF SIGNICANT ASSUMPTIONS

Services Provided

In accordance with its Service Plan, Summerfield Metropolitan District No. 3 was formed to manage the administration, operation, maintenance, construction, acquisition and installation of public improvements within the property known as "Summerfield" located in Erie, Colorado. Public improvements include, but are not limited to, storm drainage, water, sewer, utilities, streets, traffic and safety control, and parks and recreation improvements.

The Service Plan, as amended in 2017, permits the District to impose a maximum mill levy on the taxable property within its boundaries as a primary source of revenue for the construction and maintenance of public improvements, repayment of debt and operational costs. The Service Plan also provides a total debt issuance limitation in an aggregate principal amount not to exceed $100,000,000 for Summerfield Metropolitan District Nos. 1, 2, and 3.

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

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results because events and circumstances frequently do not occur as expected, and those differences may be material**.**

Revenues

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

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.

For property tax collection year 2025, SB 22-238, SB 23B-001, SB 24-233, and HB24B-1001 set the assessment rates and actual value reductions as follows:

Revenues – (continued)

Property Taxes (Continued)

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%			

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 4% of the property taxes collected.

Net Investment Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 4%.

Expenditures

General and Administrative

General and administrative expenditures include the services necessary to maintain the District's administrative viability such as legal, accounting, insurance, and other administrative expenses.

Intergovernmental Transfers

The District expects to transfer funds to Summerfield Metropolitan District No. 1 for the purposes of funding operations and administrative expenditures.

Debt and Leases

The District has no debt or leases.

SUMMERFIELD METROPOLITAN DISTRICT NO. 3
2025 BUDGET
SUMMARY OF SIGNICANT ASSUMPTIONS

Reserves

Emergency Reserve

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

This information is an integral part of the accompanying budget.