

**MOUNTAIN SHADOWS METROPOLITAN DISTRICT
TOWN OF FIRESTONE, STATE OF COLORADO**

ANNUAL REPORT FOR FISCAL YEAR 2022

Pursuant to the Service Plan for Mountain Shadows Metropolitan District (the “District”), the District is required to provide an annual report to the Town of Firestone, Colorado (the “Town”).

For the year ending December 31, 2022, the District makes the following report:

a. Boundary changes of the District.

No boundary changes were made or proposed during the reporting period.

b. Intergovernmental Agreements entered into or proposed.

No Intergovernmental Agreements were entered into during the reporting period.

c. Changes or proposed changes in the District’s policies.

No changes or proposed changes in the District’s policies occurred during the reporting period.

d. Changes or proposed changes in the District’s operations.

No changes or proposed changes in the District’s operations occurred during the reporting period.

e. Any changes in the financial status of the District including any issuance of financial obligations or any change in revenue projections or operating costs.

On December 17, 2015, the District Board authorized the issuance of Limited Tax General Obligation Bonds, Series 2015 in the amount of \$2,845,000 for the purpose of financing the costs of public improvements, paying the cost of issuing the bonds, authorizing the execution of an indenture trust, and approving other documents relating to the bonds.

There were no changes to the District’s financial status in 2022.

A copy of the District’s 2023 Budget is attached hereto as **Exhibit A**.

f. A summary of any litigation and notices of claim involving the District.

There is no litigation, notices of claim, pending or threatened, against the District of which we are aware.

g. Proposed plans for the year immediately following the year summarized in the annual report.

There are no changes to proposed plans for the upcoming year. Development is complete and the District is fully built out.

h. Status of construction of public improvements.

Public improvements constructed by the Developer have been completed according to approved development plans. No improvements were dedicated to the District during the reporting period.

i. The current assessed valuation in the District.

The current assessed valuation of the District is \$4,454,760

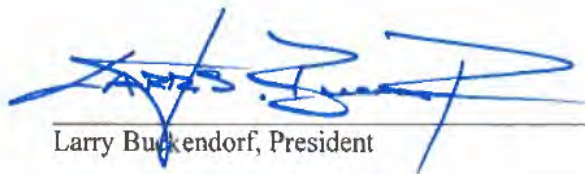
j. A schedule of all fees, charges, and assessments imposed in the report year and proposed to be imposed in the following year and the revenues raised or proposed to be raised therefrom.

No fees, charges or assessments were imposed by the District during the reporting period. The District does not anticipate the imposition of fees, charges or assessments in 2023. The District imposed a mill levy of 56.973 mills (11.395 for operations; 45.578 for debt) in 2022 (for collection in 2023).

The District hereby certifies that the information provided herein is true and accurate and, as of the date hereof, the District is in full compliance with the District's Service Plan.

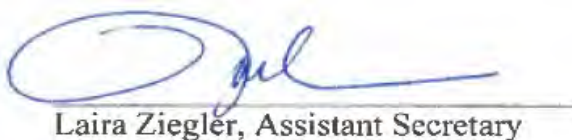
Respectfully submitted this 22nd day of June, 2023.

MOUNTAIN SHADOWS METROPOLITAN
DISTRICT



Larry Buckendorf, President

ATTEST:



Laura Ziegler, Assistant Secretary

EXHIBIT A
2023 BUDGET



January 31, 2023

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

Via: DOLA filing portal

RE: MSMD 2023 Budget Transmittal Letter

To whom it may concern:

Attached please find the 2023 Budget Resolution, Budget Message, Proof of Publication, Budget and Mill Levy Certification for the Mountain Shadows Metropolitan District located in the Town of Firestone, Weld County, Colorado. This budget was adopted on November 21, 2022 and is being submitted pursuant to Section 291-113, C.R.S. Please direct any inquiries to the below contact:

Cathy Fromm
Fromm & Company LLC
8200 S. Quebec St, Ste A3 - 305
Centennial, CO 80112
Telephone: (303) 912-8401

Fromm and Company LLC does hereby certify as the accountant for the Mountain Shadows Metropolitan District, that the attached is a true and correct copy of the 2023 Budget.

Sincerely,

Megan VanCamp

Megan VanCamp
District Management

8200 S. Quebec Street, Ste A3 – 305, Centennial, CO 80112
(970) 875 – 7047



CERTIFIED RECORD
OF
PROCEEDINGS RELATING TO
MOUNTAIN SHADOWS METROPOLITAN DISTRICT (WELD COUNTY)
WELD COUNTY, COLORADO
AND THE BUDGET HEARING
FOR FISCAL YEAR
2023

STATE OF COLORADO)
)
COUNTY OF WELD)ss.
)
MOUNTAIN SHADOWS)
METROPOLITAN DISTRICT)

The Board of Directors of the Mountain Shadows Metropolitan District, Town of Firestone, Weld County, Colorado, held a special meeting via teleconference: (720) 386-9023, Passcode: 126412.

Present were the following members of the Board:

Larry Buckendorf, President (via telephone)
Dan Pechnyo, Director
Morgan Kidder, Asst. Vice-President/Secretary/Treasurer
Joseph Schumacher, Secretary/Treasurer

Absent was Darrell McAllister whose absence was excused.

Also present were:

Laira Ziegler, Journey Homes
David O’Leary, Spencer Fane LLP
Cathy Fromm & Megan VanCamp, Fromm & Company LLC
Adam Bliven, CFO for Journey Homes

The Chairman stated that proper publication was made to conduct a public hearing on the District’s 2023 budget. The Chairman opened the public hearing on the District’s proposed 2023 budget. There being no public present to comment on the District’s budget, the public hearing was closed.

Thereupon, Director Buckendorf introduced and moved the adoption of the following Resolution:

**RESOLUTION BY THE BOARD OF DIRECTORS
OF MOUNTAIN SHADOWS METROPOLITAN DISTRICT**

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 MOUNTAIN SHADOWS METROPOLITAN DISTRICT, 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 Mountain Shadows Metropolitan District has authorized its consultants to prepare and submit a proposed budget to said governing body no later than October 15, 2022; 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 on November 9, 2022 in the Longmont Times-Call, a newspaper having general circulation within the boundaries of the District, pursuant to statute, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on November 21, 2022 and interested electors were given the opportunity to file or register any objections to said proposed budget; and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MOUNTAIN SHADOWS METROPOLITAN DISTRICT OF WELD COUNTY, COLORADO:

Section 1. 2023 Budget Revenues. That the estimated revenues for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 2. 2023 Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 3. Adoption of Budget for 2023. 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 by the Board of Directors as the true and accurate budget of the Mountain Shadows Metropolitan District for calendar year 2023.

Section 4. 2023 Levy of General Property Taxes. That the foregoing budget indicated that the amount of money necessary to balance the budget for the General Fund for operating expenses is \$50,761.99 and the amount necessary to balance the budget for the Debt Service Fund for retirement of debt, bonds and interest thereon is \$203,039.05 that the 2022 valuation for assessment, as certified by the Weld County Assessor, is \$4,454,760.

A. Levy for General Fund. 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 11.395 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2022.

B. Levy for Debt Service Fund. That for the purposes of meeting all debt service expenses of the District during the 2023 budget year, there is hereby levied a tax of 45.578 mills upon each dollar of the total valuation of assessment of all taxable property within 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. The District's manager is hereby authorized and directed to immediately certify to the County Commissioners the mill levies for the District hereinabove determined and set. That said certification shall be in substantially the following form:

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.

The foregoing Resolution was seconded by Director Schumacher.

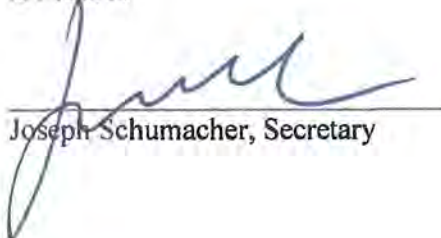
ADOPTED AND APPROVED this 21st day of November, 2022.

**MOUNTAIN SHADOWS
METROPOLITAN DISTRICT**



Larry Buckendorf, President

ATTEST:



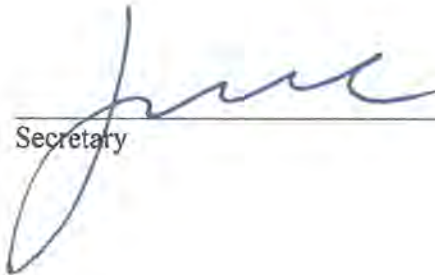
Joseph Schumacher, Secretary

STATE OF COLORADO)
)
COUNTY OF WELD)ss.
)
MOUNTAIN SHADOWS)
METROPOLITAN DISTRICT)

I, Joseph Schumacher, Secretary to the Board of Directors of the Mountain Shadows Metropolitan District, Weld County, Colorado, do hereby certify that the foregoing pages constitute a true and correct copy of the record of proceedings of the Board of Directors of said District, adopted at a meeting of the Board held via teleconference: (720) 386-9023, Passcode: 126412, on November 21, 2022, at 1:45 p.m., as recorded in the official record of the proceedings of the District, insofar as said proceedings relate to the budget hearing for fiscal year 2023; that said proceedings were duly had and taken; that the meeting was duly held; and that the persons were present at the meeting as therein shown. Further, I hereby certify that the attached budget is a true and accurate copy of the 2023 Budget of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the official seal of the District this 21st day of November, 2022.




Secretary

MOUNTAIN SHADOWS METROPOLITAN DISTRICT

2023 BUDGET MESSAGE

The Mountain Shadows Metropolitan District (the District) is a quasi-municipal political subdivision of the State of Colorado. It was organized to provide for the acquisition, construction and completion of certain infrastructure improvements within the boundaries of the District. The District is governed by a five-member Board.

Basis of Accounting

The District prepares its budget on the modified accrual basis of accounting and uses funds to budget and report on its financial position.

Revenues

Taxes

The District imposes a mill levy of 56.973 mills. Of the 56.973 mills, 45.578 mills are pledged to the redemption of the District's General Obligation Bonds (GO Bonds) Series 2015. The remaining 11.395 mills will be used for administrative costs.

Specific ownership taxes are set by the State and collected by the County Clerk, 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, including the District.

Funds

General Fund

The General Fund accounts for the administrative costs of the District that are funded by property taxes and specific ownership taxes. The District has no employees and contracts with consultants to provide monthly services required. The District has no operating or capital lease agreements.

Debt Service Fund

The Debt Service Fund is used to account for the GO Bonds that were issued in 2015. The bonds were issued for \$2,845,000 and will be repaid through property taxes and specific ownership taxes.

Emergency Reserve

At the end of each year the District reserves that portion of the fund balance necessary to comply with the TABOR Amendment.

MOUNTAIN SHADOWS METROPOLITAN DISTRICT

Adopted 2023 Budget

MOUNTAIN SHADOWS METROPOLITAN DISTRICT
ADOPTED 2023 BUDGET
GENERAL FUND
with 2021 Actual and 2022 Estimated

	2021 Actual	2022 Estimated	Adopted 2023 Budget
REVENUE			
Property taxes	\$ 47,867	\$ 50,938	\$ 50,762
Specific ownership taxes	2,384	3,105	3,120
Interest	18	12	50
Total Revenue	<u>\$ 50,269</u>	<u>\$ 54,055</u>	<u>\$ 53,932</u>
EXPENDITURES			
Audit	\$ 4,800	\$ 6,000	\$ 6,500
County treasurer fees	718	770	762
District management and accounting	8,559	9,000	8,500
Dues and subscriptions	257	427	500
Election	-	1,800	3,000
Insurance and bonds	2,022	2,021	2,500
Legal	2,829	4,000	5,000
Developer Advance Reimbursement	30,000	30,000	25,000
Contingency/Miscellaneous	60	500	2,000
Total Expenditures	<u>\$ 49,245</u>	<u>\$ 54,518</u>	<u>\$ 53,762</u>
NET CHANGE IN FUND BALANCE	<u>\$ 1,024</u>	<u>\$ (463)</u>	<u>\$ 170</u>
FUND BALANCE - BEGINNING	<u>\$ 9,353</u>	<u>\$ 10,377</u>	<u>\$ 9,914</u>
FUND BALANCE - ENDING	<u><u>\$ 10,377</u></u>	<u><u>\$ 9,914</u></u>	<u><u>\$ 10,084</u></u>

MOUNTAIN SHADOWS METROPOLITAN DISTRICT
ADOPTED 2023 BUDGET
DEBT SERVICE FUND
with 2021 Actual and 2022 Estimated

	2021 Actual	2022 Estimate	Adopted 2023 Budget
REVENUE			
Property taxes	\$ 191,465	\$ 203,748	\$ 203,039
Specific ownership taxes	9,538	12,500	12,550
Interest	131	1,650	3,000
Total Revenue	<u>\$ 201,134</u>	<u>\$ 217,898</u>	<u>\$ 218,589</u>
EXPENDITURES			
County treasurer fees	\$ 2,873	3,060	3,070
Paying agent fees	2,511	2,700	3,050
Bond interest	25,000	151,250	149,325
Bond principal	152,625	35,000	35,000
Total Expenditures	<u>\$ 183,009</u>	<u>\$ 192,010</u>	<u>\$ 190,445</u>
NET CHANGE IN FUND BALANCE	<u>\$ 18,125</u>	<u>\$ 25,888</u>	<u>\$ 28,144</u>
FUND BALANCE - BEGINNING	<u>\$ 204,524</u>	<u>\$ 222,649</u>	<u>\$ 248,537</u>
FUND BALANCE - ENDING	<u><u>\$ 222,649</u></u>	<u><u>\$ 248,537</u></u>	<u><u>\$ 276,681</u></u>

MOUNTAIN SHADOWS METROPOLITAN DISTRICT

Adopted 2023 Budget

Property Tax Calculation

WELD COUNTY

Assessed Valuation - Final

\$ 4,454,760

MILL LEVY - Residential Rate Adjustment

General Fund

11.395

Debt Service Fund

45.578

Total Mill Levy

56.973

PROPERTY TAXES

General Fund

\$ 50,762

Debt Service Fund

\$ 203,039

Total Property Taxes

\$ 253,801

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of WELD COUNTY, Colorado.

On behalf of the MOUNTAIN SHADOWS METRO
 (taxing entity)^A
 the Board of Directors
 (governing body)^B
 of the MOUNTAIN SHADOWS METRO
 (local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ \$4,454,760.00 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: \$ \$4,454,760.00 (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: 12/15/2022 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	11.395 mills	\$ 50761.99
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< 0.000 > mills	\$ < 0 >
SUBTOTAL FOR GENERAL OPERATING:	11.395 mills	\$ 50761.99
3. General Obligation Bonds and Interest ^J	45.578 mills	\$ 203039.05
4. Contractual Obligations ^K	0.000 mills	\$ 0
5. Capital Expenditures ^L	0.000 mills	\$ 0
6. Refunds/Abatements ^M	0.000 mills	\$ 0
7. Other ^N (specify): _____	_____ mills	\$ _____
	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	56.973 mills	\$ 253801.04

Contact person: Cathy Fromm Daytime phone: (970) 875-7047
 (print)
 Signed: Cathy Fromm Title: CPA

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:	_____	Refunding
	Series:	_____	2015
	Date of Issue:	_____	12/17/2015
	Coupon Rate:	_____	5.5%
	Maturity Date:	_____	12/01/2044
	Levy:	_____	45.578
	Revenue:	_____	203.039.05
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.