

RESOLUTION
TO ADOPT 2025 BUDGET, APPROPRIATE SUMS OF MONEY,
AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY
HESS RANCH METROPOLITAN DISTRICT NO. 5

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2025 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 HESS RANCH METROPOLITAN DISTRICT NO. 5, DOUGLAS COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2025, AND ENDING ON THE LAST DAY OF DECEMBER, 2025,

WHEREAS, the Board of Directors of the Hess Ranch Metropolitan District No. 5 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 20, 2024, 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 \$56,320; 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 \$377,358; 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 2024 valuation for assessment for the District as certified by the County Assessor of Douglas is \$5,418,540; and

WHEREAS, at an election held on November 3, 2015, 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 HESS RANCH METROPOLITAN DISTRICT NO. 5 OF DOUGLAS 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 Hess Ranch Metropolitan District No. 5 for calendar year 2025.

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 2025 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 2025 budget year, there is hereby levied a tax of 10.394 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2024.

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 2024.

C. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all debt retirement expense of the District during the 2025 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 2024.

D. Levy for Contractual Obligations. That for the purposes of meeting the contractual obligation expense of the District during the 2025 budget year, as detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 69.642 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2024.

E. Levy for Capital Expenditures. That for the purposes of meeting all capital expenditures of the District during the 2025 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 2024.

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 2024.

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 to the Board of County Commissioners of Douglas 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 Douglas 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 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.

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ADOPTED this 20th day of November 2024.

HESS RANCH METROPOLITAN
DISTRICT NO. 5

Donald Guerra

President

ATTEST:

Matt Childers

Secretary

ATTACH COPY OF THE ADOPTED BUDGET AND
THE CERTIFICATION OF TAX LEVIES

HESS RANCH METROPOLITAN DISTRICT NO. 5

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2025

HESS RANCH METRO DISTRICT NO. 5
SUMMARY
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31, 2024

1/24/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ -	\$ -	\$ 52,856,572
REVENUES			
Property taxes	80	502	56,320
Property taxes - Capital Pledge	-	2,858	321,038
Interest income	-	890,000	1,850,000
Developer advance	-	5,000,000	5,000,000
Administrative Charge	-	19,125	76,925
Property taxes - Regional Infrastructure	-	250	28,160
Property taxes - Town Infrastructure	-	250	28,160
Specific ownership taxes	7	45	5,069
Specific ownership taxes - Capital Pledge	-	256	28,893
Specific ownership taxes - Regional Infrastructure	-	22	2,534
Specific ownership taxes - Town Infrastructure	-	22	2,600
Other revenue	-	-	17,226
Bond Proceeds - Series 2024A-1	-	9,579,223	-
Bond Proceeds - Series 2024A-2	-	9,577,218	-
Bond Proceeds - Series 2024	-	41,891,199	-
Assessment revenue	-	497,136	2,091,417
Total revenues	87	67,458,106	9,508,342
TRANSFERS IN	-	11,646,600	-
Total funds available	87	79,104,706	62,364,914
EXPENDITURES			
General Fund	87	19,672	125,000
Debt Service Fund	-	1,228,462	3,935,000
Capital Projects Fund	-	13,353,400	10,000,000
Total expenditures	87	14,601,534	14,060,000
TRANSFERS OUT	-	11,646,600	-
Total expenditures and transfers out requiring appropriation	87	26,248,134	14,060,000
ENDING FUND BALANCES	\$ -	\$ 52,856,572	\$ 48,304,914
CAPITALIZED INTEREST	\$ -	\$ 4,296,795	\$ 784,795
RESERVE FUND	-	6,125,000	6,125,000
TOTAL RESERVE	\$ -	\$ 10,421,795	\$ 6,909,795

No assurance provided. See summary of significant assumptions.

HESS RANCH METRO DISTRICT NO. 5
PROPERTY TAX SUMMARY INFORMATION
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31, 2024

1/24/25

ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
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ASSESSED VALUATION

Agricultural	\$ 7,260	7,470	1,700
State assessed	-	40,100	-
Vacant land	-	-	5,376,340
Personal property	-	-	40,500
Certified Assessed Value	<u>\$ 7,260</u>	<u>\$ 47,570</u>	<u>\$ 5,418,540</u>

MILL LEVY

General	10.984	10.487	10.394
Debt Service	0.000	65.019	64.445
Town Contribution	0.000	5.243	5.197
Total mill levy	<u>10.984</u>	<u>80.749</u>	<u>80.036</u>

PROPERTY TAXES

General	\$ 80	\$ 499	\$ 56,320
Debt Service	-	3,093	349,198
Town Contribution	-	249	28,160
Levied property taxes	80	3,841	433,678
Adjustments to actual/rounding	-	19	-
Budgeted property taxes	<u>\$ 80</u>	<u>\$ 3,860</u>	<u>\$ 433,678</u>

BUDGETED PROPERTY TAXES

General	\$ 80	\$ 501	\$ 56,320
Debt Service	-	3,108	349,198
Town Contribution	-	251	28,160
	<u>\$ 80</u>	<u>\$ 3,860</u>	<u>\$ 433,678</u>

HESS RANCH METRO DISTRICT NO. 5
GENERAL FUND
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31, 2024

1/24/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	80	502	56,320
Specific ownership taxes	7	45	5,069
Administrative Charge	-	19,125	76,925
Other revenue	-	-	5,611
Total revenues	87	19,672	143,925
Total funds available	87	19,672	143,925
EXPENDITURES			
General and administrative			
Collection agent fees	-	15,000	24,000
Auditing	-	-	10,000
County Treasurer's fee	1	7	845
Legal	-	4,000	24,000
Contingency	-	125	5,611
Transfers to District No. 6	86	540	60,544
Total expenditures	87	19,672	125,000
Total expenditures and transfers out requiring appropriation	87	19,672	125,000
ENDING FUND BALANCES	\$ -	\$ -	\$ 18,925

HESS RANCH METRO DISTRICT NO. 5
DEBT SERVICE FUND
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,

1/24/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ -	\$ -	\$ 11,108,932
REVENUES			
Property taxes - Capital Pledge	-	2,858	321,038
Property taxes - Regional Infrastructure	-	250	28,160
Property taxes - Town Infrastructure	-	250	28,160
Specific ownership taxes - Capital Pledge	-	256	28,893
Specific ownership taxes - Regional Infrastructure	-	22	2,534
Specific ownership taxes - Town Infrastructure	-	22	2,600
Assessment revenue	-	497,136	2,091,417
Interest income	-	190,000	350,000
Other revenue	-	-	11,615
Total revenues	-	690,794	2,864,417
TRANSFERS IN			
Transfers from other funds	-	11,646,600	-
Total funds available	-	12,337,394	13,973,349
EXPENDITURES			
General and administrative			
County Treasurer's fee - Capital Pledge	-	43	4,816
County Treasurer's fee - Regional Infrastructure	-	4	422
County Treasurer's fee - Town Infrastructure	-	4	422
Transfers to District No. 6	-	3,607	405,725
Series 2024 - Interest	-	727,673	2,318,250
Series 2024A-1 - Interest	-	386,775	573,000
Series 2024A-2 - Interest	-	110,356	620,750
Contingency	-	-	11,615
Total expenditures	-	1,228,462	3,935,000
Total expenditures and transfers out requiring appropriation	-	1,228,462	3,935,000
ENDING FUND BALANCES	\$ -	\$ 11,108,932	\$ 10,038,349
CAPITALIZED INTEREST	\$ -	\$ 4,296,795	\$ 784,795
RESERVE FUND	-	6,125,000	6,125,000
TOTAL RESERVE	\$ -	\$ 10,421,795	\$ 6,909,795

No assurance provided. See summary of significant assumptions.

HESS RANCH METRO DISTRICT NO. 5
CAPITAL PROJECTS FUND
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,

1/24/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ -	\$ -	\$ 41,747,640
REVENUES			
Bond Proceeds - Series 2024A-1	-	9,579,223	-
Bond Proceeds - Series 2024A-2	-	9,577,218	-
Bond Proceeds - Series 2024	-	41,891,199	-
Developer advance	-	5,000,000	5,000,000
Interest income	-	700,000	1,500,000
Total revenues	-	66,747,640	6,500,000
Total funds available	-	66,747,640	48,247,640
EXPENDITURES			
General and Administrative			
Bond Issue Costs	-	2,031,500	-
Capital Outlay	-	6,321,900	5,000,000
Capital Projects			
Repay developer advance	-	5,000,000	5,000,000
Total expenditures	-	13,353,400	10,000,000
TRANSFERS OUT			
Transfers to other fund	-	11,646,600	-
Total expenditures and transfers out requiring appropriation	-	25,000,000	10,000,000
ENDING FUND BALANCES	\$ -	\$ 41,747,640	\$ 38,247,640

No assurance provided. See summary of significant assumptions.

HESS RANCH METRO DISTRICT NO. 5
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

The District is a quasi-municipal corporation and political subdivision of the State of Colorado under Title 32, Article 1 of the Colorado Revised Statutes, and was organized by order of the District Court in Douglas County on May 23, 2016, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District's service area is located south of Hess Road and west of Motsenbocker Road in the Town of Parker in Douglas County, Colorado.

The District was established to provide construction, installation, financing and operation of public improvements, including street improvements, park and recreation, water, sanitation, public transportation, mosquito control, traffic and safety control, fire protection, television relay and translation, and security. Under the amended service plan, the District was organized in conjunction with four other related districts, Hess Ranch No. 4, Hess Ranch No. 6, Hess Ranch No. 7, and Hess Ranch No. 8. Hess Ranch No. 6 serves as the operating district for Hess Ranch Metropolitan Districts Nos. 4, 5, 7, and 8.

On November 3, 2015, the District's electors authorized to increase taxes \$5,000,000 annually to pay the operations and administrative costs of the District, without limitation. Debt authorization was approved in the amount of \$122,260,000 for public improvements including street improvements, park and recreation, water, sanitation, public transportation, mosquito control, traffic and safety control, fire protection, television relay and translation, and security. \$366,780,000 of debt was also authorized for the purpose of refunding debt, operations and maintenance, and intergovernmental agreements.

The Amended Service Plan dated August 5, 2019, limits the total principal amount of obligations that the Districts may have outstanding in aggregate at any one time to \$254,368,750 provided that such limitation shall not be applicable to refunding Bonds issued by any of the Districts to refund outstanding debt.

The Maximum Debt Mill Levy shall be the maximum mill levy the District is permitted to impose upon the taxable property within the District, and shall be determined as follows: For the portion of any aggregate District Debt which exceeds 50% of the District's assessed valuation, the Maximum Debt Mill Levy for such portion of Debt shall be 57.000 mills less the number of mills necessary to pay unlimited mill levy Debt. If, on or after January 1, 2019, there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement, the mill levy to which the Mill Levy Adjustment applies may be increased or decreased to reflect such changes, such increases and decreases to be determined by the Board in good faith (such determination to be binding and final) so that to the extent possible, the actual tax revenues generated by the applicable mill levy, as adjusted for changes occurring on or after January 1, 2019, are neither diminished nor enhanced as a result of such changes.

The method of calculating assessed valuation of residential assessment rates in the State of Colorado changed to 7.15% from 7.20% for property tax years 2019-2020. Accordingly, the debt service mill levy cap has been adjusted upward to 64.445 from 57.000.

For the portion of any aggregate District Debt which is equal to or less than 50% of the District's assessed valuation, either on the date of issuance or at any time thereafter, the mill levy to be imposed to repay such portion of Debt shall not be subject to the Maximum Debt Mill Levy and, as a result, the mill levy may be such amount as is necessary to pay the Debt service on such Debt, without limitation of rate.

**HESS RANCH METRO DISTRICT NO. 5
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided - (continued)

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

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

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 District is required to impose a maximum Required Mill Levy of 80.0036 mills for collection in 2024. Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in an amount to pay the principal, premium if any, and interest on the Bonds as the same become due and payable.

For property tax collection year 2025, SB22-238, SB23B-001, SB24-233, and HB24B-1001 set the assessment rates and actual value reductions as follows:

Category	Rate		Category	Rate		Actual Value Reduction	Amount
Single-Family Residential	6.70%		Agricultural Land	26.40%		Single-Family Residential	\$55,000
Multi-Family Residential	6.70%		Renewable Energy Land	26.40%		Multi-Family Residential	\$55,000
Commercial	27.90%		Vacant Land	27.90%		Commercial	\$30,000
Industrial	27.90%		Personal Property	27.90%		Industrial	\$30,000
Lodging	27.90%		State Assessed	27.90%		Lodging	\$30,000
			Oil & Gas Production	87.50%			

The calculation of the taxes levied is displayed on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

**HESS RANCH METRO DISTRICT NO. 5
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues - (continued)

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 9% of the property taxes collected.

Expenditures

County Treasurer's Fees

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

Transfers to Hess Ranch Metropolitan District No. 6

Pursuant to the Master Intergovernmental Agreement, Hess Ranch Metropolitan District No. 6 will provide certain operation, maintenance and administrative services benefitting the District, Hess Ranch Metropolitan District No. 4, Hess Ranch Metropolitan District No. 6, Hess Ranch Metropolitan District No. 7, and Hess Ranch Metropolitan District No. 8 (collectively, "districts"). The Districts will pay all costs of such services through the imposition of ad valorem property taxes and transferring the net tax revenues to Hess Ranch Metropolitan District No. 6.

Debt and Leases

Principal and interest payments are provided based on the debt amortization schedule from the Series 2024A-1 Bonds, Series 2024A-2 Bonds, and Series 2024 Bonds.

Special Assessment Revenue Bonds, Series 2024A-1 and Series 2024A-2

On March 28, 2024, the District issued Special Assessment Revenue Bonds, Series 2024A-1 and on September 27, 2024, the District issued Special Assessment Revenue Bonds, Series 2024A-2, in the amounts of \$9,550,000 and \$9,550,000, respectively. The proceeds of the sale of both bonds were used to: (i) finance a portion of the SID Improvements; (ii) fund capitalized interest on the Bonds; (iii) fund the Reserve Fund; and (iv) pay other costs in connection with the issuance of the Bonds.

The 2024A-1 Bonds are assumed to bear interest from its Delivery Date at 6.00%, payable semi-annually on June 1 and December 1, beginning June 1, 2024. The 2024A-2 Bonds are assumed to bear interest from its Delivery Date at 6.50%, payable semi-annually on June 1 and December 1, beginning December 1, 2024. The Bonds are subject to annual mandatory sinking fund principal payments due on December 1, commencing on December 1, 2028. The Bonds mature on December 1, 2043.

**HESS RANCH METRO DISTRICT NO. 5
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases - (continued)

Special Assessment Revenue Bonds, Series 2024A-1 and Series 2024A-2 - (Continued)

The 2024A-1 and 2024A-2 Bonds are special limited revenue obligation of the District and are secured by and payable solely from and on the extent of Pledge Revenue, consisting of: (i) all proceeds of the Special Assessments (including prepayments thereof), including Assessment Lien Sale Proceeds; and (ii) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Bond Fund.

The 2024A-1 and 2024A-2 Bonds are additionally secured by: (i) capitalized intertest, which will be funded with proceeds of the Bonds in the amount of \$885,099; and (ii) by amounts in the Reserve Fund, which will be funded with proceeds of the Bonds in the amount of Reserve Fund Requirement of \$1,910,000.

Special Assessment Revenue Bonds, Series 2024

On August 8, 2024, the District issued Special Assessment Revenue Bonds, Series 2024, in the amount of \$42,150,000. The proceeds of the sale were used to: (i) finance a portion of the SID No. 2 Improvements; (ii) fund capitalized interest on the Bonds; (iii) fund the Reserve Fund; and (iv) pay other costs in connection with the issuance of the Bonds.

The 2024 Bonds will bear interest from its Delivery Date at 5.50%, payable semi-annually on June 1 and December 1, beginning December 1, 2024. The 2024 Bonds are subject to annual mandatory sinking fund principal payments due on December 1, commencing on December 1, 2027. The Bonds mature on December 1, 2044.

The 2024 Bonds are special limited revenue obligations of the District and are secured by and payable solely from and to the extent of Pledged Revenue, consisting of: (i) all proceeds of the SID No. 2 Special Assessments (including prepayments thereof), including, without limitation, SID No. 2 Assessment Lien Sale Proceeds and any other amounts received from any other proceeding of the District to effect collection of the SID No. 2 Special Assessments; and (ii) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Bond Fund.

The 2024 Bonds are additionally secured by: (i) capitalized interest, which will be funded with proceeds of the Bonds in the amount of \$4,636,500; and (ii) by amounts in the Reserve Fund, which will be funded with proceeds of the Bonds in the amount of the Reserve Fund Requirement of \$4,215,000.

Reserves

Emergency Reserve

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year spending. Since substantially all funds received by the District are transferred to Hess Ranch Metropolitan District No. 6, which pays for all Districts' operations and maintenance costs, and which provides for the required reserve amount, an Emergency Reserve is not reflected in the District's Budget.

This information is an integral part of the accompanying budget.

**HESS RANCH METROPOLITAN DISTRICT NO. 5
SPECIAL IMPROVEMENT DISTRICT NO. 1
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

\$9,550,000

**Special Assessment Revenue Bonds
Series 2024A-1, Dated March 28, 2024**

Interest Rate of 6.00%

Payable June 1 and December 1,

Principal Due December 1

<u>December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	-	573,000	573,000
2026	-	573,000	573,000
2027	-	573,000	573,000
2028	2,000	573,000	575,000
2029	390,000	572,880	962,880
2030	416,000	549,480	965,480
2031	443,000	524,520	967,520
2032	473,000	497,940	970,940
2033	505,000	469,560	974,560
2034	538,000	439,260	977,260
2035	574,000	406,980	980,980
2036	613,000	372,540	985,540
2037	653,000	335,760	988,760
2038	697,000	296,580	993,580
2039	743,000	254,760	997,760
2040	793,000	210,180	1,003,180
2041	846,000	162,600	1,008,600
2042	902,000	111,840	1,013,840
2043	962,000	57,720	1,019,720
	<u>\$ 9,550,000</u>	<u>\$ 7,554,600</u>	<u>\$ 17,104,600</u>

No assurance provided. See summary of significant assumptions.

**HESS RANCH METROPOLITAN DISTRICT NO. 5
SPECIAL IMPROVEMENT DISTRICT NO. 1
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

\$9,550,000

**Special Assessment Revenue Bonds
Series 2024A-2, Dated March 28, 2024**

Interest Rate of 6.50%

**Payable June 1 and December 1,
Principal Due December 1**

<u>December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	-	620,750	620,750
2026	-	620,750	620,750
2027	-	620,750	620,750
2028	2,000	620,750	622,750
2029	390,000	620,620	1,010,620
2030	416,000	595,270	1,011,270
2031	443,000	568,230	1,011,230
2032	473,000	539,435	1,012,435
2033	505,000	508,690	1,013,690
2034	538,000	475,865	1,013,865
2035	574,000	440,895	1,014,895
2036	613,000	403,585	1,016,585
2037	653,000	363,740	1,016,740
2038	697,000	321,295	1,018,295
2039	743,000	275,990	1,018,990
2040	793,000	227,695	1,020,695
2041	846,000	176,150	1,022,150
2042	902,000	121,160	1,023,160
2043	962,000	62,530	1,024,530
	<u>\$ 9,550,000</u>	<u>\$ 8,184,150</u>	<u>\$ 17,734,150</u>

No assurance provided. See summary of significant assumptions.

**HESS RANCH METROPOLITAN DISTRICT NO. 5
SPECIAL IMPROVEMENT DISTRICT NO. 2
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

\$42,150,000

**Special Assessment Revenue Bonds
Series 2024, Dated August 8, 2024**

Interest Rate of 5.50%

Payable June 1 and December 1,

Principal Due December 1

<u>December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	-	2,318,250	2,318,250
2026	-	2,318,250	2,318,250
2027	1,350,000	2,318,250	3,668,250
2028	1,432,000	2,244,000	3,676,000
2029	1,520,000	2,165,240	3,685,240
2030	1,612,000	2,081,640	3,693,640
2031	1,710,000	1,992,980	3,702,980
2032	1,816,000	1,898,930	3,714,930
2033	1,926,000	1,799,050	3,725,050
2034	2,044,000	1,693,120	3,737,120
2035	2,170,000	1,580,700	3,750,700
2036	2,302,000	1,461,350	3,763,350
2037	2,442,000	1,334,740	3,776,740
2038	2,592,000	1,200,430	3,792,430
2039	2,750,000	1,057,870	3,807,870
2040	2,918,000	906,620	3,824,620
2041	3,096,000	746,130	3,842,130
2042	3,284,000	575,850	3,859,850
2043	3,486,000	395,230	3,881,230
2044	3,700,000	203,500	3,903,500
	<u>\$ 42,150,000</u>	<u>\$ 30,292,130</u>	<u>\$ 72,442,130</u>

No assurance provided. See summary of significant assumptions.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments**TO:** County Commissioners¹ of _____, Colorado.On behalf of the _____,
(taxing entity)^Athe _____,
(governing body)^Bof the _____,
(local government)^C**Hereby** officially certifies the following mills
to be levied against the taxing entity's GROSS \$ _____
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: (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:** _____ for budget/fiscal year _____.
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)**PURPOSE** (see end notes for definitions and examples)**LEVY²****REVENUE²**

1. General Operating Expenses ^H	_____ mills	\$ _____
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< _____ > mills	\$ < _____ >
SUBTOTAL FOR GENERAL OPERATING:	<div style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></div> mills	<div style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></div> \$
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]	<div style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></div> mills	<div style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></div> \$

Contact person: _____ Daytime phone: () _____
(print)

Signed: Paul Niedermuller Title: _____

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.