

RESOLUTION NO. 2024-10-03

RESOLUTION TO ADOPT BUDGET AND APPROPRIATE SUMS OF MONEY

RESOLUTION OF THE BOARD OF DIRECTORS OF VERVE METROPOLITAN DISTRICT NO. 1, JEFFERSON COUNTY AND THE CITY AND COUNTY OF BROOMFIELD, COLORADO, PURSUANT TO SECTION 29-1-108, C.R.S., SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND, ADOPTING A BUDGET AND APPROPRIATING SUMS OF MONEY FOR THE BUDGET YEAR 2025

A. The Board of Directors of Verve Metropolitan District No. 1 (the “**District**”) has appointed Comprehensive Accounting Services, Inc. to prepare and submit a proposed budget to said governing body at the proper time.

B. Comprehensive Accounting Services, Inc. has submitted a proposed budget to this governing body for its consideration on or before October 15, 2024.

C. Upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on October 31, 2024, and interested taxpayers were given the opportunity to file or register any objections to said proposed budget.

D. The budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, reserve transfers and expenditure exemptions, under Article X, Section 20 of the Colorado Constitution (“**TABOR**”) and other laws or obligations which are applicable to or binding upon the District.

E. Whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law.

F. The Board of Directors has made provision therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget.

G. It is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, thereby establishing a limitation on expenditures for the operations of the District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF VERVE METROPOLITAN DISTRICT NO. 1, JEFFERSON COUNTY AND CITY AND COUNTY OF BROOMFIELD, COLORADO:

1. The budget, as submitted, amended, and summarized by fund, is hereby approved and adopted as the budget of the District for the year stated above.

2. The budget is hereby approved and adopted, shall be certified by the Secretary of the District to all appropriate agencies and is made a part of the public records of the District.


3. The sums set forth as the total expenditures of each fund in the budget attached hereto as **Exhibit A** and incorporated herein by reference are hereby appropriated from the revenues of each fund, within each fund, for the purposes stated.

[SIGNATURE PAGE FOLLOWS]

**[SIGNATURE PAGE TO RESOLUTION TO ADOPT
BUDGET AND APPROPRIATE SUMS OF MONEY]**

RESOLUTION APPROVED AND ADOPTED ON OCTOBER 31, 2024.

**VERVE METROPOLITAN DISTRICT
NO. 1**

By: _____
President

Attest:

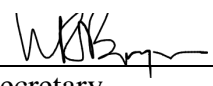
By: _____
Secretary

EXHIBIT A

Budget

VERVE METROPOLITAN DISTRICT NO. 1

2025 Budget Message

Introduction

Verve Metropolitan District No. 1 (the “District”) was formed on June 10, 2014 for the purpose of providing design, financing, acquisition and construction, of certain infrastructure improvements including, but not limited to, water, sanitation, street, safety protection improvements, park and recreation improvements, public transportation, mosquito control and covenant enforcement. When appropriate, these improvements will be dedicated to the County of Jefferson, the City and County of Broomfield, or such other entity as appropriate for the use and benefit of the District’s taxpayers and service users.

Pursuant to its Service Plan, the District has authority to issue up to One Hundred Seventy-Five Million Dollars (\$175,000,000) of debt to provide and pay for public infrastructure improvement costs.

The District has assessed value for 2024. The District is certifying a mill levy of 12.500 mills for operations and 46.774 mills for general obligation debt in 2024 for taxes collected in 2025.

Budgetary Basis of Accounting

The District uses funds to budget and report on the financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions. All of the District’s funds are considered Governmental Funds and are reported using the current financial resources and modified accrual basis of accounting. Revenues are recognized when they are measurable and available. Revenues are considered available when they are collectible within the current period. For this purpose, the District considers revenues to be available if they are collected within sixty (60) days of the end of the current fiscal period. Expenditures, other than the interest on long term obligations, are recorded when the liability is incurred or the long-term obligation paid.

Fund Summaries

General Fund is used to account for resources traditionally associated with government such as property taxes, specific ownership tax and expenditures which include district administration, legal services and other expenses related to statutory operations of a local government. The District’s primary sources of operating revenue in 2025 consists of property tax collections, specific ownership tax revenue and interest income.

Debt Service Fund is used to account for revenues and expenditures related to ongoing District debt. The primary sources of revenue in the Debt Service Fund are property tax collections, facilities fees, specific ownership tax revenue and interest income.

Capital Projects Fund is used to account for revenues and expenditures to complete capital projects such as new improvements. The primary source of revenue in the Capital Projects Fund is proceeds from interest income, as well as bond proceeds. In 2025, \$11,000,000 in capital improvements are anticipated to be built.

Emergency Reserves

As required by the TABOR amendment to the Colorado Constitution, the District has provided for an Emergency Reserve in the amount of 3% of the total fiscal year expenditures in the General Fund.

Verve Metropolitan District No. 1
2025 Budget

	General Fund			Debt Service Fund			Capital Projects Fund		
	2023 Actuals	2024 Estimate	2025 Budget	2023 Actuals	2024 Estimate	2025 Budget	2023 Actuals	2024 Estimate	2025 Budget
Revenue									
Specific Ownership Tax	7,756	11,000	13,000	34,901	45,000	50,000	-	-	-
Property Tax Revenue	110,211	174,915	322,818	495,948	814,395	1,207,959	-	-	-
Facilities Fees	-	-	-	-	171,000	610,000	-	-	-
Developer Advance		20,000					-	-	
Interest Income	18,079	32,000	15,000	832,803	650,000	500,000	1,417,146	900,000	800,000
Total Revenue	136,046	237,915	350,818	1,363,652	1,680,395	2,367,959	1,417,146	900,000	800,000
Expenditures									
Treasurer Fee	1,653	3,500	5,138	7,439	18,000	24,159	-	-	-
Trustee Fees				4,000	8,000	12,000			
Accounting	30,000	42,000	43,000	-	-	-	-	-	-
Audit	6,500	6,500	7,000	-	-	-	-		
Election	-	-	5,000	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	23,121,867	16,400,000	11,000,000
Insurance/SDA Dues	7,187	10,152	12,000	-	-	-	-	-	-
Legal	59,525	45,000	45,000	-		-	-	-	-
Maintenance				-	-	-	-	-	-
Annual Planting			-						
Snow Removal	18,835	25,000	25,000						
Electrical	2,029	6,000	9,000						
Irrigation	9,718	11,000	12,000						
Repairs & Replacement	2,616	8,536	6,000						
Winter Watering	-	-	-						
Common Area Maintenance	131,867	140,000	152,000						
Mangement Fees	1,600	10,000	12,000						
Total Maintenance	166,665	200,536	216,000						
Office Supplies/Misc	5,401	5,000	5,000	-	-	1,500	-	-	-
Bank Fees	465	500	500						
Cost of Issuance							1,121,583	300,420	1,800,000
Bond Interest				4,242,974	4,736,900	4,740,000			
Total Expenditures	277,396	313,188	338,638	4,254,413	4,762,900	4,777,659	24,243,450	16,700,420	12,800,000
Other Expense									
Emergency Fund	-	11,000	12,000	-	-	-	-	-	-
Total Other Expense	-	11,000	12,000	-	-	-	-	-	-
Total Expenditures	277,396	324,188	350,638	4,254,413	4,762,900	4,777,659	24,243,450	16,700,420	12,800,000
Other Financing sources/(uses)									
Bond Proceeds		-	-		-		40,010,000	12,046,098	-
Bond Discount							(2,237,783)	(240,922)	
Transfer to/from	-	-	-	11,621,700	1,204,000	-	(11,621,700)	(1,204,000)	-
Total other Financing Sources/(uses)	-	-	-	11,621,700	1,204,000	-	26,150,517	10,601,176	-
Excess Funding	(141,350)	(86,273)	180	8,730,939	(1,878,505)	(2,409,700)	3,324,213	(5,199,244)	(12,000,000)
Beginning Fund Balance	228,190	86,840	567	7,531,976	16,262,915	14,384,410	14,046,721	17,370,934	12,171,690
Ending Fund Balance	86,840	567	746	16,262,915	14,384,410	11,974,710	17,370,934	12,171,690	171,690

	2023	2024	2025	2023	2024	2025
Mill Levy	10.000	10.000	12.500	45.000	46.774	46.774
Assessed Value	\$ 11,021,077	\$ 17,411,270	\$ 25,825,438	\$ 11,021,077	\$ 17,411,270	\$ 25,825,438

Verve Metropolitan District No. 1

General Fund

2024 Estimates

	Jan -Dec Est. 24	Final Budget	\$ Over Budget
Revenue-General Fund			
Specific Ownership Tax	11,000	11,000	-
Property Tax Revenue	174,915	174,113	802
Developers Advances	20,000	80,000	(60,000)
Interest Income	32,000	28,000	4,000
Total Revenue-General Fund	237,915	293,113	(55,198)
General Fund			
Treasurer Fee	3,500	5,223	1,723
Accounting	42,000	42,000	-
Audit	6,500	6,500	-
Election	-	-	-
Insurance/SDA Dues	10,152	8,000	2,152
Legal	45,000	55,000	(10,000)
Maintenance			
Annual Planting	-	-	-
Snow Removal	25,000	25,000	-
Electrical	6,000	9,000	(3,000)
Irrigation	11,000	9,000	2,000
Repairs & Replacement	8,536	6,000	2,536
Winter Watering	-	1,000	(1,000)
Common Area Maintenance	140,000	140,000	-
Management Fees	10,000	12,000	(2,000)
Total Maintence	200,536	202,000	(1,464)
Office Supplies/Misc	5,000	4,000	1,000
Bank Fees	500	500	-
Total General Fund	313,188	323,223	(10,035)
Other Expense			
Emergency Fund	11,000	11,000	-
Total Other Expense	11,000	11,000	-
Total Expenditures	324,188	334,223	(10,035)
Other Financing Sources/(Uses			
Developers Advance	-	-	-
Total Other Expense	-	-	-
Excess Funding	(86,273)	(41,110)	45,163
Beginning Fund Balance	86,840	41,129	(45,711)
Ending Fund Balance	567	19	548

Verve Metropolitan District No. 1
Debt Service Fund
2024 Estimates

	Jan - Dec Est 24	Final Budget	\$ Over Budget
Revenue-Debt Service Fund			
Specific Ownership Tax	45,000	40,000	5,000
Property Tax	814,395	814,395	-
Pilot Income			-
Facilities Fees	171,000	610,000	(439,000)
Interest Income	650,000	500,000	150,000
Total Revenue-Debt Service Fund	1,680,395	1,964,395	(284,000)
Expenditures			
Treasurer Fee	18,000	24,432	(6,432)
Trustee Fee	8,000	6,000	2,000
Commitment Fee	-	-	-
Legal	-	-	-
Office Supplies/Misc	-	1,500	(1,500)
Bond Interest	4,736,900	4,700,000	36,900
Total Debt Service Fund	4,762,900	4,731,932	30,968
Other Expense			
1-895 - Emergency Fund	-	-	-
Total Other Expense			-
Total Expenditures	4,762,900	4,731,932	30,968
Other Financing Sources/(Uses)			
Underwriter's Discount			
Bond Proceeds			
Transfer to/from	1,204,000	17,000,000	(15,796,000)
Total Other Expense	1,204,000	17,000,000	(15,796,000)
Excess Funding	(1,878,505)	14,232,463	16,110,968
Beginning Fund Balance	16,262,915	15,725,545	(537,370)
Ending Fund Balance	14,384,410	29,958,008	15,573,598


Verve Metropolitan District No. 1

Capital Projects Fund

2024 Estimates

	Jan - Dec Est 2024	Final Budget	\$ Over Budget
Revenue-Capital Projects Fund			
Facilities Fees	-	-	-
Interest Income	900,000	1,300,000	(400,000)
Misc Income	-	-	-
Total Revenue-Capital Projects Fund	900,000	1,300,000	(400,000)
Capital Projects Fund			
Accounting	-	-	-
Audit	-	-	-
Capital Outlay	16,400,000	30,000,000	(13,600,000)
Cost of Issuance	300,420	1,800,000	(1,499,580)
Insurance/SDA Dues	-	-	-
Legal	-	-	-
Office Supplies/Misc	-	-	-
Total Capital Projects Fund	16,700,420	31,800,000	(15,099,580)
Other Expense			
Emergency Fund	-	-	-
Total Other Expense	-	-	-
Other Financing Sources/(Uses			
Underwriting Discount	(240,922)	-	(240,922)
Bond Proceeds	12,046,098	54,000,000	(41,953,902)
Transfer in/(out)	(1,204,000)	(17,000,000)	15,796,000
Total Other Expense	10,842,098	37,000,000	(26,157,902)
Total Expenditures	16,700,420	6,500,000	(15,099,580)
Excess Funding	(4,958,322)	6,500,000	11,458,322
Beginning Fund Balance	17,370,934	17,605,021	234,087
Ending Fund Balance	12,412,612	24,105,021	11,692,409

I, William R. Branyan, hereby certify that I am the duly appointed Secretary of the Verve Metropolitan District No. 1, and that the foregoing is a true and correct copy of the budget for the budget year 2025, duly adopted at a meeting of the Board of Directors of the Verve Metropolitan District No. 1 held on October 31, 2024.


Secretary

RESOLUTION NO. 2024-10-04

RESOLUTION TO SET MILL LEVIES

**RESOLUTION OF THE VERVE METROPOLITAN DISTRICT NO. 1 LEVYING
GENERAL PROPERTY TAXES, PURSUANT TO SECTION 39-1-111, C.R.S., FOR THE
YEAR 2024, TO HELP DEFRAY THE COSTS OF GOVERNMENT FOR THE 2025
BUDGET YEAR**

A. The Board of Directors of the Verve Metropolitan District No. 1 (the “**District**”) has adopted an annual budget in accordance with the Local Government Budget Law, on October 31, 2024.

B. The adopted budget is attached as Exhibit A to the Resolution of the Board of Directors of the District to Adopt Budget and Appropriate Sums of Money, and such budget is incorporated herein by this reference.

C. The amount of money necessary to balance the budget for general fund expenses from property tax revenue is identified in the budget.

D. The amount of money necessary to balance the budget for debt service fund expenses from property tax revenue is identified in the budget.

NOW, THEREFORE, PURSUANT TO SECTIONS 39-1-111(5) and 39-5-128(1), C.R.S., BE IT RESOLVED by the Board of Directors of the Verve Metropolitan District No. 1, Jefferson County and City and County of Broomfield, Colorado, that:

1. For the purpose of meeting all general operating expenses of the District during the 2025 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

2. That for the purpose of meeting all debt retirement expenses of the District during the 2025 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.


3. That for the purpose of meeting all contractual obligation expenses of the District during the 2025 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

4. That the Secretary is hereby authorized and directed to immediately certify to the Board of County Commissioners of Jefferson County and Assessor of the City and County of Broomfield, Colorado, the mill levies for the District as set forth in the District’s Certification of Mill Levies, attached hereto as **Exhibit 1** and incorporated herein by reference, 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.

[SIGNATURE PAGE OF RESOLUTION TO SET MILL LEVIES]

RESOLUTION APPROVED AND ADOPTED ON OCTOBER 31, 2024.

**VERVE METROPOLITAN DISTRICT
NO. 1**

By: _____
President

Attest:


By: _____
Secretary

EXHIBIT 1

Certification of Tax Levies

TO: County Commissioners¹ of Jefferson County, Colorado.

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

the Board of Directors
(governing body)^B

of the Verve Metropolitan District No.1
(local government)^C

Hereby officially certifies the following mills
to be levied against the taxing entity's GROSS \$ 25,215,958
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:

\$	<u>25,215,958</u> (NET ^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
----	--

Submitted: 12/5/2024 for budget/fiscal year 2025
(not 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	12.500 mills	\$ 315,199
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	12.500 mills	315,199
3. General Obligation Bonds and Interest ^J	46.774 mills	\$ 1,179,451
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]	59.274 mills	\$ 1,494,650

Contact person: (print) Shea Sanchez Daytime phone: (720)479-0058

Signed:  Title: District Accountant

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) 866-2156.

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: | \$42,440,000 G.O. (Limited Tax Convertible to Unlimited Tax) Refunding and Improvement Bonds |
| | Series: | Series 2021 |
| | Date of Issue: | 3/25/2021 |
| | Coupon Rate: | 5.000% |
| | Maturity Date: | 12/1/2036; 12/1/2041;12/1/2051 |
| | Levy: | 46.774 |
| | Revenue: | \$ 528,361 |
| <hr/> | | |
| 2. | Purpose of Issue: | \$40,010,000 G.O. (Limited Tax Convertible to Unlimited Tax) Improvement Bonds |
| | Series: | Series 2023 |
| | Date of Issue: | 02/09/2023 |
| | Coupon Rate: | 5.750% - 6.75% |
| | Maturity Date: | 12/01/2033; 12/01/2043; 12/01/2052 |
| | Levy: | 46.774 |
| | Revenue: | \$ 651,090 |
| <hr/> | | |
| 3. | Purpose of Issue: | \$12,046,098 G.O. (\$17,340,000 Value at End of Accretion Period) (Limited Tax Convertible to Unlimited Tax) Convertible Capital Appreciation Improvement Bonds |
| | Series: | Series 2024A |
| | Date of Issue: | 08/15/2024 |
| | Coupon Rate: | 7.00% |
| | Maturity Date: | 12/01/2054 |
| | Levy: | 46.774 |
| | Revenue: | \$0 |
| <hr/> | | |

CONTRACTS^k:

- | | | |
|----|----------------------|--|
| 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.

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: | \$42,440,000 G.O. (Limited Tax Convertible to Unlimited Tax) Refunding and Improvement Bonds |
| | Series: | Series 2021 |
| | Date of Issue: | 3/25/2021 |
| | Coupon Rate: | 5.000% |
| | Maturity Date: | 12/1/2036; 12/1/2041; 12/1/2051 |
| | Levy: | 46.774 |
| | Revenue: | \$12,771 |
| <hr/> | | |
| 2. | Purpose of Issue: | \$40,010,000 G.O. (Limited Tax Convertible to Unlimited Tax) Improvement Bonds |
| | Series: | Series 2023 |
| | Date of Issue: | 02/09/2023 |
| | Coupon Rate: | 5.75% - 6.75% |
| | Maturity Date: | 12/01/2033; 12/01/2043; 12/01/2052 |
| | Levy: | 46.774 |
| | Revenue: | \$15,737 |
| <hr/> | | |
| 3. | Purpose of Issue: | \$12,046,098 (\$17,340,000 Value at End of Accretion Period) G.O. (Limited Tax Convertible to Unlimited Tax) Convertible Capital Appreciation Improvement Bonds |
| | Series: | Series 2024A |
| | Date of Issue: | 08/15/2024 |
| | Coupon Rate: | 7.00% |
| | Maturity Date: | 12/01/2054 |
| | Levy: | 46.774 |
| | Revenue: | \$0 |

CONTRACTS^K:

- | | | |
|----|----------------------|--|
| 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.

I, William R. Branyan, hereby certify that I am the duly appointed Secretary of the Verve Metropolitan District No. 1, and that the foregoing is a true and correct copy of the Certification of Mill Levies for the budget year 2025, duly adopted at a meeting of the Board of Directors of the Verve Metropolitan District No. 1 held on October 31, 2024.


Secretary