

LAW OFFICE OF MICHAEL E. DAVIS, LLC

July 1, 2023

Weld County Clerk & Recorder
1402 North 17th Avenue
Greeley, CO 80631
weld-districts@weldgov.com

Division of Local Government
Department of Local Affairs
1313 Sherman Street, Room 521
Denver, CO 80203

Office of the State Auditor
Local Government Audit Division
1525 Sherman Street, 7th Floor
Denver, CO 80203

City Council
City of Fort Lupton
130 South McKinley Avenue
Fort Lupton, CO 80621
mpena@fortluptonco.gov;
jtanaka@wbapc.com

RE: 2022 Annual Report

To Whom It May Concern:

Enclosed for your records is the annual report for 2022 for the below captioned district. Please contact me with any questions or concerns. Thank you.

Murata Farms Residential Metropolitan District

LAW OFFICE OF MICHAEL E. DAVIS, LLC



Marisa Davis, Senior Paralegal

Enclosure

**MURATA FARMS RESIDENTIAL METROPOLITAN DISTRICT
COUNTY OF WELD, STATE OF COLORADO**

ANNUAL REPORT FOR FISCAL YEAR 2022

Pursuant to the Service Plan for Murata Farms Residential Metropolitan District (the “District”), the District is required to provide an annual report to the City of Fort Lupton. In accordance with the requirements of § 32-1-207(3)(c), C.R.S., the District hereby provides its’ annual report with regard to the following matters:

- a. Boundary changes made;
- b. Intergovernmental agreements entered into or terminated with other governmental entities;
- c. Access information to obtain a copy of rules and regulations adopted by the board;
- d. A summary of any litigation involving public improvements owned by the District;
- e. The status of the construction of public improvements by the District;
- f. A list of facilities or improvements constructed by the District that were conveyed or dedicated to the City;
- g. The final assessed valuation of the District as of December 31 of the report year;
- h. A copy of the current year’s budget;
- i. A copy of the audited financial statements, if required by the “Colorado Local Government Audit Law”, Part 6 of Article 1 of Title 29, or the application for exemption from audit, as applicable;
- j. Notice of any uncured defaults existing for more than ninety (90) days under any debt instrument of the District; and
- k. Any inability of the District to pay its obligations as they become due under any obligation which continue beyond a ninety (90) day period.

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

- a. Boundary changes made;

The District boundaries did not change in 2022.

- b. Intergovernmental agreements entered into or terminated with other governmental entities;

The District did not enter into, or terminate any IGAs in 2022.

- c. Access information to obtain a copy of rules and regulations adopted by the board;

There are no rules and regulations.

- d. A summary of any litigation involving public improvements owned by the District;

We are not aware of any litigation, pending or threatened, involving public improvements owned by the District.

- e. The status of the construction of public improvements by the District;

No Public Improvements were constructed by the District during the reporting period.

- f. A list of facilities or improvements constructed by the District that were conveyed or dedicated to the City;

No Public Improvements have been dedicated to the City as of December 31st of the report year.

- g. The final assessed valuation of the District as of December 31 of the report year;

The assessed value for 2022 was \$39,550

- h. A copy of the current year's budget;

The budget resolution for the current year is attached hereto as **Exhibit A**.

- i. A copy of the audited financial statements, if required by the "Colorado Local Government Audit Law", Part 6 of Article 1 of Title 29, or the application for exemption from audit, as applicable;

The audited financial statements, as required by the "Colorado Local Government Audit Law," Part 6 of Article 1 of Title 29, are not yet available and will be provided when they become available.

- j. Notice of any uncured defaults existing more than ninety (90) days under any debt instrument of the District;

The District has not issued any Debt instruments, and has not received any notices of uncured events of default under any Debt instrument.

- k. Any inability of the District to pay its obligations as they become due under any obligation which continues beyond a ninety (90) day period.

There was no inability of the District to pay any of its obligations as they came due, in accordance with the terms of any such obligations.

EXHIBIT A

BUDGET RESOLUTION

(2023)

CERTIFIED COPY OF RESOLUTION

STATE OF COLORADO)
) ss.
COUNTY OF WELD)

At the special meeting of the Board of Directors of Murata Farms Residential Metropolitan District, City of Fort Lupton, County of Weld, Colorado, held at 11:30 A.M on Thursday, October 27, 2022, by videoconference at

<https://us06web.zoom.us/j/89275173460?pwd=cXV2YUtMSndqK0pFQS9KNE9RUIVMZz09>

and by teleconference at +1 720 707 2699, Meeting ID: 892 7517 3460, there were present:

- Eric Eckberg
- John Fairbairn
- Richard Spurway
- David Jennings
- Joseph Stifter

Also present was Michael Davis, Marisa Davis and Hilary Adams of the Law Office of Michael E. Davis, LLC (“District Counsel”) Also, Joel Meggers, Diane Rodriguez and Kayla Blair of Community Resource Services of Colorado, LLC.

District Counsel reported that, prior to the meeting, legal counsel had notified each of the directors of the date, time and place of this meeting and the purpose for which it was called. District Counsel further reported that this is a special meeting of the Board of Directors of the District and that a notice of the meeting was posted on the District’s public website or at a public place within the boundaries of the District pursuant to applicable statutes and at the Weld County Clerk and Recorder’s Office, and to the best of their knowledge, remains posted to the date of this meeting.

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

RESOLUTION

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR TO HELP DEFRAY THE COSTS OF THE GOVERNMENT, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE MURATA FARMS RESIDENTIAL METROPOLITAN DISTRICT, CITY OF FORT LUPTON 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 (the “Board”) of the Murata Farms Residential Metropolitan District (the “District”) has authorized its consultants, treasurer and legal counsel to prepare and submit a proposed budget to said governing body no later than October 15, 2022; and

WHEREAS, the proposed 2023 budget has been submitted to the Board for its consideration; and

WHEREAS, upon due and proper notice, posted in accordance with Colorado law and published on October 20, 2022 in the Fort Lupton Press, said proposed budget was open for inspection by the public at a designated place, a public hearing was held at 11:30 A.M, Thursday, October 27, 2022 and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, the budget being adopted by the Board has been prepared based on the best information available to the Board regarding the effects of Article X, Section 20 of the Colorado Constitution; and

WHEREAS, 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.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MURATA FARMS RESIDENTIAL METROPOLITAN DISTRICT, WELD COUNTY, COLORADO, AS FOLLOWS:

Section 1. Summary of 2023 Revenues and 2023 Expenditures. That the estimated revenues and expenditures for each fund for fiscal year 2023, as more specifically set forth in the budget attached hereto, are accepted and approved.

Section 2. Adoption of Budget. That the budget as submitted, or as amended, and attached hereto and incorporated herein is approved and adopted as the budget of the District for fiscal year 2023.

Section 3. 2023 Levy of General Property Taxes. That the foregoing budget indicates that the amount of money from property tax revenue necessary to balance the budget for the General Fund for operating expenses is \$66,502, and that the 2022 valuation for assessment, as certified by the Weld County Assessor, is \$11,140. That for the purposes of meeting all general operating expenses of the District during the 2023 budget year, there is hereby levied a tax of 10 mills upon each dollar of the total valuation of assessment of all taxable property within the District during the year 2022.

Section 4. 2023 Levy of Debt Retirement Expenses. That the foregoing budget indicates that the amount of money from property tax revenue necessary to balance the budget for the Debt Service Fund for debt retirement expense is \$2009 and that the 2022 valuation for assessment, as certified by the Weld County Assessor, is \$11,140. That for the purposes of meeting all debt retirement expenses of the District during the 2023 budget year, there is hereby levied a tax of 55.277 mills upon each dollar of the total valuation of assessment of all taxable property within the District during the year 2022.

Section 5. Certification to Board of County Commissioners. That the attorney, accountant or manager for the District is hereby authorized and directed to certify to the Weld County Board of County Commissioners, no later than December 15, 2022, the mill levies for the District hereinabove determined and set. That said certification shall be substantially in the same form as attached hereto and incorporated herein by this reference.

Section 6. 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.

Section 7. Budget Certification. That the budget shall be certified by the Secretary/Treasurer of the District, and made a part of the public records of the District.

The foregoing Resolution was seconded by Director Eckberg.

RESOLUTION APPROVED AND ADOPTED ON OCTOBER 27, 2022.

MURATA FARMS RESIDENTIAL METROPOLITAN DISTRICT

DocuSigned by:
Eric Eckberg
45865A2E0F9540D...

By: _____
Eric Eckberg, President

ATTEST:

DocuSigned by:
John Fairbairn
AF7868824B5F428...

John Fairbairn, Secretary/Treasurer

APPROVED AS TO FORM:
LAW OFFICE OF MICHAEL E. DAVIS, LLC
As General Counsel to the District

Michael E. Davis


STATE OF COLORADO
COUNTY OF WELD
MURATA FARMS RESIDENTIAL METROPOLITAN DISTRICT

I, John Fairbairn, hereby certify that I am a director and the duly elected and qualified Secretary/Treasurer of Murata Farms Residential Metropolitan District (the "District"), and that the foregoing constitutes 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 of Directors of the District held at 11:30 A.M on Thursday, October 27, 2022, by videoconference at

<https://us06web.zoom.us/j/89275173460?pwd=cXV2YUtMSndqK0pFQS9KNE9RUIVMZz09>

and by teleconference at +1 720 707 2699 Meeting ID: 892 7517 3460 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.

IN WITNESS WHEREOF, I have hereunto subscribed my name on OCTOBER 27, 2022

DocuSigned by:

AF7868824B5F428...

John Fairbairn, Secretary/Treasurer

EXHIBIT A
2023 BUDGET DOCUMENT & BUDGET MESSAGE FOR
MURATA FARMS RESIDENTIAL METROPOLITAN DISTRICT

**MURATA FARMS RESIDENTIAL METROPOLITAN DISTRICT
2023 BUDGET**

SUMMARY OF SIGNIFICANT ASSUMPTIONS

**Murata Farms Residential Metropolitan District
GENERAL FUND
2023 ADOPTED BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED AMOUNTS
FOR THE YEARS ENDED AND ENDING DECEMBER 31,**

	2021 Actual	2022 Estimated	2023 Adopted
REVENUES			
Property taxes	\$ -	\$ -	\$ 396
Specific ownership taxes	-	-	28
Miscellaneous	-	1,250	-
Total revenues	-	1,250	424
EXPENDITURES			
Audit	-	1,000	15,000
County treasurer fees	-	-	6
District management and accounting	-	17,000	20,000
Dues and subscriptions	-	500	500
Election	-	1,000	2,000
Engineer	-	5,100	5,100
Insurance and bonds	-	3,000	3,000
Legal	-	17,000	17,000
Miscellaneous	-	2,000	2,000
Emergency reserve	-	1,400	1,900
Total expenditures	-	48,000	66,506
EXCESS OF EXPENDITURES OVER REVENUES	-	(46,750)	(66,082)
OTHER FINANCING SOURCES (USES)			
Developer advances	-	55,432	66,100
Transfer to capital fund	-	(7,432)	-
Total other financing sources (uses)	-	48,000	66,100
NET CHANGE IN FUND BALANCE	-	1,250	18
BEGINNING FUND BALANCE	-	-	1,250
ENDING FUND BALANCE	\$ -	\$ 1,250	\$ 1,268

**Murata Farms Residential Metropolitan District
DEBT SERVICE FUND
2023 ADOPTED BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED AMOUNTS
FOR THE YEARS ENDED AND ENDING DECEMBER 31,**

	2021 Actual	2022 Estimated	2023 Adopted
REVENUES			
Property taxes	\$ -	\$ -	\$ 2,186
Specific ownership taxes	-	-	153
Capital pledge revenue - Murata Farms Commercial	-	-	286
Total revenues	-	-	2,625
EXPENDITURES			
County treasurer fees	-	-	33
Paying agent and cash management fees	-	-	2,000
Total expenditures	-	-	2,033
EXCESS OF REVENUES OVER EXPENDITURES	-	-	592
OTHER FINANCING SOURCES			
Transfer from capital projects fund	-	-	2,000
Total other financing sources	-	-	2,000
NET CHANGE IN FUND BALANCE	-	-	2,592
BEGINNING FUND BALANCE	-	-	-
ENDING FUND BALANCE	\$ -	\$ -	\$ 2,592

**Murata Farms Residential Metropolitan District
CAPITAL PROJECTS FUND
2023 ADOPTED BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED AMOUNTS
FOR THE YEARS ENDED AND ENDING DECEMBER 31,**

	2021 Actual	2022 Estimated	2023 Adopted
REVENUES			
Interest	\$ -	\$ 40,000	\$ 15,000
Total revenues	<u>-</u>	<u>40,000</u>	<u>15,000</u>
EXPENDITURES			
<u>Capital outlay</u>			
Capital outlay	-	3,124,618	4,926,371
<u>Debt service</u>			
Bond issuance costs		401,943	-
Paying agent and cash management fees	-	13,500	4,000
Total expenditures	<u>-</u>	<u>3,540,061</u>	<u>4,930,371</u>
EXCESS OF EXPENDITURES OVER REVENUES	<u>-</u>	<u>(3,500,061)</u>	<u>(4,915,371)</u>
OTHER FINANCING SOURCES (USES)			
Bond proceeds		8,410,000	-
Transfer to debt service fund	-	-	(2,000)
Transfer from general fund	-	7,432	-
Total other financing sources (uses)	<u>-</u>	<u>8,417,432</u>	<u>(2,000)</u>
NET CHANGE IN FUND BALANCE	-	4,917,371	(4,917,371)
BEGINNING FUND BALANCE	<u>-</u>	<u>-</u>	<u>4,917,371</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ 4,917,371</u>	<u>\$ -</u>