RESOLUTION NO. 2025-12-01

RESOLUTION TO ADOPT BUDGET AND APPROPRIATE SUMS OF MONEY

RESOLUTION OF THE BOARD OF DIRECTORS OF RESERVE METROPOLITAN DISTRICT NO. 4, TOWN OF MT. CRESTED BUTTE, GUNNISON COUNTY, 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 2026

A. Reserve Metropolitan District No. 4 is a duly organized and validly existing special district, quasi-municipal corporation and political subdivision of the State of Colorado pursuant to Title 32, Colorado Revised Statutes (the "**District**").

B. The Board of Directors of the District has appointed Marchetti & Weaver, LLC to prepare and submit a proposed budget to said governing body at the proper time.

C. Marchetti & Weaver, LLC has submitted a proposed budget to this governing body at the appropriate time for its consideration.

D. 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 November 17, 2025 and continued to December 1, 2025, and interested taxpayers were given the opportunity to file or register any objections to said proposed budget.

E. 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.

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

G. 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.

H. 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 RESERVE METROPOLITAN DISTRICT NO. 4, TOWN OF MT. CRESTED BUTTE, GUNNISON COUNTY, COLORADO:

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

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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 expenditure 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.

RESOLUTION APPROVED AND ADOPTED on December 1, 2025

RESERVE METROPOLITAN DISTRICT NO. 4

By: Justin K Biggs
President

Attest:

By: Craig Sorensen
Secretary

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EXHIBIT A

Budget

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RESERVE METROPOLITAN DISTRICT NO. 4

2026 BUDGET MESSAGE

Reserve Metropolitan District No. 4 is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act. The District was established to provide for the planning, design, acquisition, construction, installation, relocation, redevelopment, financing, operation and maintenance of the Public Improvements from the proceeds of Debt to be issued by the District and other legally available revenues of the District.

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

The following budget is prepared on the modified accrual basis of accounting, which is consistent with the basis of accounting used in presenting the District's financial statements.

2026 BUDGET STRATEGY

The District's strategy in preparing the budget is to strive to provide the type of public-purpose facilities desired by the property owners and residents of the community in the most economic manner possible. The General Fund will provide for the District’s general and administrative expenses.

For 2026, the District is not anticipating to have any activity and only budgeted for contingency in the event an activity does occur. Any such costs would be funded via developer advances. If there is any activity, the District will plan to maintain a TABOR Emergency Reserve in the General Fund.

Reserve Metropolitan District No. 4
Statement of Net Position
October 31, 2025

	General Fund	Fixed Assets & LTD	Total
ASSETS			
CASH			
Chase Checking	-		-
Pooled Cash	-		-
TOTAL CASH	-	-	-
OTHER CURRENT ASSETS			
Due From County Treasurer	-		-
Property Tax Receivable	-		-
Prepaid Expense	-		-
TOTAL OTHER CURRENT ASSETS	-	-	-
FIXED ASSETS			
Construction in Progress			-
TOTAL FIXED ASSETS	-	-	-
TOTAL ASSETS	-	-	-
LIABILITIES & DEFERED INFLOWS			
CURRENT LIABILITIES			
Accounts Payable	-		-
TOTAL CURRENT LIABILITIES	-	-	-
DEFERRED INFLOWS			
Deferred Property Taxes	-		-
TOTAL DEFERRED INFLOWS	-	-	-
LONG-TERM LIABILITIES			
Developer Payable- Operations		-	-
Accrued Int- Developer Payable- Ops			-
TOTAL LONG-TERM LIABILITIES	-	-	-
TOTAL LIAB & DEF INFLOWS	-	-	-
NET POSITION			
Inv in Capital Assets			-
Amount to be Provided for Debt		-	-
Fund Balance- Non-Spendable	-		-
Fund Balance- Restricted	-		-
Fund Balance- Unassigned	-		-
TOTAL NET POSITION	-	-	-
	=	=	=

No assurance is provided on these financial statements; substantially all disclosures required by GAAP omitted.

Reserve Metropolitan District No. 4 **Print Date: 12/12/25**
Statement of Revenues, Expenditures, & Changes In Fund Balance
Modified Accrual Basis For the Period Indicated

	2024 Unaudited Actual	2025 Adopted Budget	Variance Positive (Negative)	2025 Forecast	YTD Thru 10/31/25 Actual	YTD Thru 10/31/25 Budget	Variance Positive (Negative)	2026 Adopted Budget	Budget Notes/Assumptions
PROPERTY TAXES									
Assessed Valuation	-	-	-	-				**19,780**	Final AV
Mill Levy - Operations	-	-	-	-				-	No Levy For 2026
Mill Levy - Debt Service Fund	-	-	-	-				-	No Levy For 2026
Total Mill Levy	-	-	-	-				-	No Levy For 2026
Property Tax Revenue - Operations	-	-	-	-				-	No Levy For 2026
Property Tax Revenue - Debt Service Fund	-	-	-	-				-	No Levy For 2026
Total Property Taxes	-	-	-	-				-	No Levy For 2026
GENERAL FUND									
REVENUE									
Property Taxes- Operations	-	-	-	-	-	-	-	-	No Levy For 2026
Specific Ownership Taxes	-	-	-	-	-	-	-	-	6% of Property Taxes
Interest Income	-	-	-	-	-	-	-	-	
Miscellaneous Income		-	-	-				-	
TOTAL REVENUE	-	-	-	-	-	-	-	-	
EXPENDITURES									
Administration									
Accounting	-	-	-	-	-	-	-	-	Assume Provided by District No. 3
Audit	-	-	-	-	-	-	-	-	Assume Provided by District No. 3
District Management	-	-	-	-	-	-	-	-	Assume Provided by District No. 3
Legal	-	-	-	-	-	-	-	-	Assume Provided by District No. 3
Office Supplies, Bill.com Fees, Other	-	-	-	-	-	-	-	-	Assume Provided by District No. 3
Treasurer's Fees	-	-	-	-	-	-	-	-	3% of Property Taxes
Election	-	-	-	-	-	-	-	-	Assume Provided by District No. 3
Insurance, Bonds & SDA Dues	-	-	-	-	-	-	-	-	Assume Provided by District No. 3
Website	-	-	-	-	-	-	-	-	Assume Provided by District No. 3
Engineering	-	-	-	-	-	-	-	-	Assume Provided by District No. 3
Contingency /Emergencies		50,000	50,000	-		41,667	41,667	50,000	Unforeseen Needs
TOTAL EXPENDITURES	-	**50,000**	**50,000**	-	-	**41,667**	**41,667**	**50,000**	
REVENUE OVER / (UNDER) EXPENDITURES	-	**(50,000)**	**50,000**	-	-	**(41,667)**	**41,667**	**(50,000)**	
OTHER SOURCES / (USES)									
Transfers In/(Out)	-	-	-	-	-	-	-	-	
Developer Advance	-	55,000	(55,000)	-	-	55,000	(55,000)	55,000	To Funds Shortfall & Small Reserve
Developer Advance Repayment	-	-	-	-	-	-	-	-	
TOTAL OTHER SOURCES / (USES)	-	**55,000**	**(55,000)**	-	-	**55,000**	**(55,000)**	**55,000**	
CHANGE IN FUND BALANCE	-	**5,000**	**(5,000)**	-	-	**13,333**	**(13,333)**	**5,000**	
BEGINNING FUND BALANCE	-	-	-	-	-	-	-	-	
ENDING FUND BALANCE	-	**5,000**	**(5,000)**	-	-	**13,333**	**(13,333)**	**5,000**	
	=	=	=		=	=	=	=	

No assurance is provided on these financial statements;
substantially all disclosures required by GAAP omitted.

I, Craig Sorensen, hereby certify that I am the duly appointed Secretary of the Reserve Metropolitan District No. 4, and that the foregoing is a true and correct copy of the budget for the budget year 2026, duly adopted at a meeting of the Board of Directors of the Reserve Metropolitan District No. 4 held on December 1, 2025.

Craig Sorensen

Secretary

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