

RESOLUTION
ADOPTING BUDGET, AND APPROPRIATING SUMS OF MONEY
AND CERTIFYING MILL LEVIES FOR THE CALENDAR YEAR 2026

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The Board of Directors of Conservatory Metropolitan District (the “**Board**”), City of Aurora, Arapahoe County, Colorado (the “**District**”), held a regular meeting, via teleconference on October 20, 2025, at the hour of 9:30 a.m.

Prior to the meeting, each of the directors was notified of the date, time, and place of the budget meeting and the purpose for which it was called, and a notice of the meeting was posted or published in accordance with § 29-1-106, C.R.S.

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NOTICE AS TO PROPOSED 2026 BUDGET

WHEREAS, the Board has appointed its accountant to prepare and submit a proposed budget to the Board in accordance with Colorado law; and

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

WHEREAS, upon due and proper notice, provided in accordance with Colorado law, said proposed budget was available for inspection by the public at a designated place, a public hearing was held and interested electors of the District were provided a public comment period and given the opportunity to file any objections to the proposed budget prior to the final adoption of the budget by the Board.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

Section 1. Adoption of Budget. The budget attached hereto and incorporated herein is approved and adopted as the budget of the District for fiscal year 2026. In the event of recertification of values by the County Assessor's Office after the date of adoption hereof, staff is hereby directed to modify and/or adjust the budget and certification to reflect the recertification without the need for additional Board authorization. Any such modification to the budget or certification as contemplated by this Section 1 shall be deemed ratified by the Board.

Section 2. Levy of Property Taxes. The Board does hereby certify the levy of property taxes for collection in 2026 as more specifically set out in the budget attached hereto.

Section 3. Mill Levy Adjustment. When developing the attached budget, consideration was given to any changes in the method of calculating assessed valuation, including any changes to the assessment ratios, or any constitutionally mandated tax credit, cut, or abatement, as authorized in the District's service plan. The Board hereby determines in good faith (such determination to be binding and final), that to the extent possible, the adjustments to the mill levies made to account for changes in Colorado law described in the prior sentence, and the actual tax revenues generated by the mill levies, are neither diminished nor enhanced as a result of those changes.

Section 4. Certification to County Commissioners. The Board directs its legal counsel, manager, accountant, or other designee to certify to the Board of County Commissioners of Arapahoe County, Colorado the mill levies for the District as set forth herein. Such certification shall be in compliance with the requirements of Colorado law.

Section 5. Appropriations. The amounts set forth as expenditures in the budget attached hereto are hereby appropriated from the revenue of each fund for the purposes stated.

Section 6. Filing of Budget and Budget Message. The Board hereby directs its legal counsel, manager, or other designee to file a certified copy of the adopted budget resolution, the budget and budget message with the Division of Local Government by January 30 of the ensuing year.

Section 7. Budget Certification. The budget shall be certified by a member of the District, or a person appointed by the District, and made a part of the public records of the District.

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ADOPTED OCTOBER 20, 2025.

DISTRICT:

CONSERVATORY METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado

DocuSigned by:
By:  _____
OFFICER OF THE DISTRICT

ATTEST:

Signed by:
By:  _____
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STATE OF COLORADO
COUNTY OF ARAPAHOE
CONSERVATORY METROPOLITAN DISTRICT

I hereby certify that the foregoing resolution constitutes a true and correct copy of the record of proceedings of the Board adopted by a majority of the Board at a District meeting held via teleconference on Monday, October 20, 2025, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 20th day of October, 2025.

Signed by:
 _____
Signature

[Signature page to Resolution Adopting Budget, and Appropriating Sums of Money and Certifying Mill Levies for the Calendar Year 2026]

EXHIBIT A
BUDGET DOCUMENT
BUDGET MESSAGE

**Conservatory Metropolitan District
Proposed Budget
General Fund
For the Year ended December 31, 2026**

	Actual 2024	Adopted Budget 2025	Actual 6/30/2025	Estimate 2025	Proposed Budget 2026
Beginning fund balance	\$ 746,230	\$ 730,726	\$ 991,871	\$ 991,828	\$ 823,555
Revenues:					
Property taxes	1,052,528	1,031,536	1,012,962	1,031,500	985,098
Specific ownership taxes	60,706	72,208	27,491	55,000	68,957
Reimbursements	15,000	-	-	-	-
Interest Income	63,639	25,033	18,032	36,000	25,000
Total revenues	1,191,873	1,128,777	1,058,485	1,122,500	1,079,055
Total funds available	1,938,103	1,859,503	2,050,356	2,114,328	1,902,610
Expenditures:					
Accounting	20,093	21,000	11,266	22,000	23,000
ARI Mill levy (net of fees)	61,460	78,891	57,615	78,800	75,340
Audit	6,428	8,000	5,700	5,700	8,000
Capital Asset Maintenance	-	20,000	4,609	10,000	20,000
Director fees	3,200	5,000	-	5,000	5,000
District Management - landscape	17,114	50,000	1,655	22,000	50,000
District Manager	68,379	120,000	26,557	75,000	120,000
Election expense	-	20,000	2,026	2,100	-
Insurance	14,620	19,000	15,248	15,300	19,000
Landscape - Irr Maint	42,517	50,000	24,172	60,000	40,000
Landscape- Irr Upgrades	68,310	40,000	34,410	35,000	10,000
Landscape - Tree replacement	135,000	26,000	-	-	20,000
Landscape Projects	53,258	165,000	34,043	80,000	255,000
Landscaping maintenance	5,000	150,000	70,200	140,400	130,000
Legal	32,450	60,000	10,561	40,000	45,000
Miscellaneous	4,028	5,000	4,531	10,000	15,000
Natural Surface Trail maintenance	-	10,000	-	5,000	10,000
O&M Repairs and maintenance (Kiosk)	2,833	25,000	465	5,000	25,000
Pest control	-	2,000	-	-	4,000
Pet Waste	5,648	7,000	2,494	5,000	7,000
Pond maintenance	44,455	40,000	-	30,000	45,000
Public art maintenance	-	1,000	-	-	1,000
Reserve Study	-	-	-	-	-
Snow removal	19,256	35,000	7,440	20,000	30,000
Transfer to Capital Fund	100,000	200,000	-	400,000	200,000
Treasurer fees	15,798	15,473	15,196	15,473	14,776
Uninsured accident replacement	-	10,000	-	5,000	10,000
Maintenance reserve					
Water	217,817	195,000	73,154	195,000	225,000
Electric	5,877	6,000	2,248	6,000	6,000
Website Maint	2,734	6,000	1,139	3,000	4,500
Contingency	-	436,027	-	-	453,373
Emergency reserve (3%)	-	33,112	-	-	31,622
Total expenditures	946,275	1,859,503	404,729	1,290,773	1,902,610
Ending fund balance	\$ 991,828	\$ -	\$ 1,645,627	\$ 823,555	\$ -
Assessed valuation		\$ 57,967,758			\$ 55,358,109
Mill Levy - Operations		16.505			16.505
Mill Levy - ARI		1.290			1.290

Conservatory Metropolitan District
Proposed Budget
Debt Fund
For the Year ended December 31, 2026

	Actual	Adopted	Actual	Estimate	Proposed
	<u>2024</u>	<u>Budget</u>	<u>6/30/2025</u>	<u>2025</u>	<u>Budget</u>
		<u>2025</u>			<u>2026</u>
Beginning fund balance	\$ 1,580,045	\$ 1,624,792	\$ 1,677,944	\$ 1,677,945	\$ 1,745,646
Revenues:					
Property taxes	1,070,212	1,052,463	1,033,511	1,052,400	1,005,082
Specific ownership taxes	61,727	73,672	28,049	56,000	70,356
Interest income	109,688	25,034	54,460	105,000	25,000
Total revenues	<u>1,241,627</u>	<u>1,151,169</u>	<u>1,116,020</u>	<u>1,213,400</u>	<u>1,100,438</u>
Total funds available	<u>2,821,672</u>	<u>2,775,961</u>	<u>2,793,964</u>	<u>2,891,345</u>	<u>2,846,084</u>
Expenditures:					
Interest expense Series 2017	659,163	635,913	317,956	635,913	611,413
Bond principal Series 2017	465,000	490,000	-	490,000	515,000
Treasurer's fees	16,064	15,787	15,504	15,786	15,076
Trustee / paying agent fees	3,500	6,000	-	4,000	6,000
Total expenditures	<u>1,143,727</u>	<u>1,147,700</u>	<u>333,460</u>	<u>1,145,699</u>	<u>1,147,489</u>
Ending fund balance	<u>\$ 1,677,945</u>	<u>\$ 1,628,261</u>	<u>\$ 2,460,504</u>	<u>\$ 1,745,646</u>	<u>\$ 1,698,595</u>
Reserve Fund requirement	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Assessed valuation		<u>\$ 57,967,758</u>			<u>\$ 55,358,109</u>
Mill Levy		<u>18.156</u>			<u>18.156</u>
Total Mill Levy		<u>35.951</u>			<u>35.951</u>

Conservatory Metropolitan District
Proposed Budget
Capital Fund
For the Year ended December 31, 2026

	Actual	Adopted	Actual	Estimate	Proposed
	<u>2024</u>	<u>Budget</u>	<u>6/30/2025</u>	<u>2025</u>	<u>Budget</u>
		<u>2025</u>			<u>2026</u>
Beginning fund balance	\$ 537,279	\$ 432,004	\$ 492,539	\$ 492,538	\$ 824,788
Revenues:					
Miscellaneous Income	-	-	-	-	-
Interest income	25,327	25,000	10,455	20,000	25,000
Transfer from General Fund	<u>100,000</u>	<u>200,000</u>	<u>-</u>	<u>400,000</u>	<u>200,000</u>
Total revenues	<u>125,327</u>	<u>225,000</u>	<u>10,455</u>	<u>420,000</u>	<u>225,000</u>
Total funds available	<u>662,606</u>	<u>657,004</u>	<u>502,994</u>	<u>912,538</u>	<u>1,049,788</u>
Expenditures:					
Legal & management	-	-	-	-	-
Planning and Engineering	-	-	-	10,000	-
Stone wall /Cap repairs	25,344	30,000	4,609	20,000	200,000
Detention Pond Rehab Engineering	-	-	-	-	-
Detention Pond Rehab	-	-	-	-	-
Monument Improvements	-	-	-	-	-
Playground Improvements	32,435	-	-	-	-
Landscape replacement w/rock	112,289	20,000	3,361	5,000	75,000
Capital Reserve	-	557,004	-	-	724,788
Capital expenditures	<u>-</u>	<u>50,000</u>	<u>52,750</u>	<u>52,750</u>	<u>50,000</u>
Total expenditures	<u>170,068</u>	<u>657,004</u>	<u>60,720</u>	<u>87,750</u>	<u>1,049,788</u>
Ending fund balance	<u>\$ 492,538</u>	<u>\$ -</u>	<u>\$ 442,274</u>	<u>\$ 824,788</u>	<u>\$ -</u>

2026 Landscaping Budget Items

	2024	2025	2026
Landscaping Contract	140,000	150,000	130,000
	<hr/>	<hr/>	<hr/>
	140,000	150,000	130,000
Landscaping Projects			
Tree Removal	2,000	2,000	
Hampden project			60,000
Hampden turf confersion			
A wildflower meadow			
Monument inhancement			30,000
Tree Water (monthly)	20,000	20,000	20,000
Monument Repair/Replant beds	30,000	30,000	30,000
Monument Bed fertilizing	-	5,000	1,000
Ornamental Grass replacement	-	10,000	
Pruning Trees & Bushes	20,000	25,000	63,000
Tall Juniper replacement	-	5,000	
Tree Trimming	-	10,000	
Holiday Lighting	25,000	30,000	30,000
Spray Trees Rings	3,000	-	
Winter watering	12,000	0	
Tree GIS	0	10,000	
Tree Health Care/Tree Fertilizing	17,000	18,000	21,000
Total - Ties to the Landscape Project Budget Line	129,000	165,000	255,000
Grand Total Contract & Projects	<hr/> <hr/> 269,000	<hr/> <hr/> 315,000	<hr/> <hr/> 385,000
Capital Improvments:			
Replace landscaping with rock	-	20,000	
Hampden Turf Conversion			60,000
Wildflower Meadow			15,000
Landscape Redesign	-	-	
Wall Repair	-	25,000	200,000
Back Flow Replacement	-	30,000	50,000
Playground conversion	25,000	-	
Monument Improvements	-	-	
Monument Lighting Convert to LED	-	-	-
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Total	25,000	75,000	325,000