

EC EAST METROPOLITAN DISTRICT NO. 1

December 28, 2025

Division of Local Government
Via: E-Filing Portal

RE: EC East Metropolitan District No. 1
LG ID #68166

Attached is the 2026 Budget for the EC East Metropolitan District No. 1 in Elbert County, Colorado, submitted pursuant to Section 29-1-116, C.R.S. This Budget was adopted on October 28, 2025. If there are any questions on the budget, please contact Mr. Eric Weaver, telephone number 970-926-6060 Ext. 6.

The mill levy certified to the County Commissioners of Elbert County is 0.000 mills for all general operating purposes, subject to statutory and/or TABOR limitations; 0.000 mills for G.O. bonds; 0.000 mills for refund/abatement; and (0.000) mills for Temporary Tax Credit/Mill Levy Reduction. Based on an assessed valuation of \$10 the total property tax revenue is \$0. A copy of the certification of mill levies sent to the County Commissioners for Elbert County is enclosed.

I hereby certify that the enclosed is a true and accurate copy of the budget and certification of tax levies to the Board of County Commissioners of Elbert County, Colorado.

Sincerely,



Eric Weaver
District Accountant

Enclosure(s)

Financial Management Provided By Marchetti & Weaver, LLC

Mountain Office
28 Second Street, Suite 213
Edwards, CO 81632
(970) 926-6060

Website & Email
www.mwcpaa.com
Admin@mwcpaa.com

Front Range Office
245 Century Circle, Suite 103
Louisville, CO 80027
(720) 210-9136

RESOLUTION NO. 2025-10-03

**RESOLUTION TO ADOPT BUDGET AND APPROPRIATE SUMS OF MONEY
RESOLUTION OF THE BOARD OF DIRECTORS OF EC EAST METROPOLITAN
DISTRICT NO. 1, ELBERT 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. The Board of Directors of EC East Metropolitan District No. 1 (the “**District**”) has appointed Marchetti & Weaver, LLC to prepare and submit a proposed budget to said governing body at the proper time.

B. Marchetti & Weaver, LLC has submitted a proposed budget to this governing body on October 28, 2025 for its consideration.

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 28, 2025, 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 EC EAST METROPOLITAN DISTRICT NO. 1, ELBERT COUNTY, 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]

EXHIBIT A

Budget

EC EAST METROPOLITAN DISTRICT NO. 1

2026

BUDGET MESSAGE

EC East Metropolitan Districts Nos. 1-5, Commercial Metropolitan District, Industrial Metropolitan District, Overlay Metropolitan District, and Water & Sanitation District are quasi-municipal corporations organized and operated pursuant to provisions set forth in the Colorado Special District Act. The Water & Sanitation District will be responsible for constructing and operating water and sewer facilities for the community. The EC East Community Authority Board will to be responsible for construction of other improvements within the community as well as providing administrative and operational support for all of the Districts (except for the Water & Sanitation District), with funding for both operations and debt service to be provided by the remaining Districts. District No. 1 is responsible for providing these services until the Community Authority Board takes over these responsibilities in 2026. Districts 2-5, Commercial, Industrial, and Overlay are all currently inactive.

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

The following budget is prepared using the modified accrual basis of accounting.

The Districts were formed with the primary purposes to finance construction of public improvements as defined in the Service Plan and to operate and maintain such public improvements that are not otherwise dedicated or conveyed to other governmental entities.

BUDGET STRATEGY

The District's strategy in preparing the 2026 budget is to strive to provide the scope of services defined in the service plan in the most economic manner possible.

REVENUE

The District did not certify a mill levy for 2026 collection due to the limited assessed valuation of the District and will rely on developer advances to fund any shortfalls in funding.

EXPENDITURES

The District budgeted for operational expenditures to be accounted for in the General Fund and capital expenditures to be accounted for in the Capital Fund.

EC East Metropolitan District No. 1

Statement of Net Position

September 30, 2025

	General Fund	Capital Fund	Debt Service Fund	Fixed Assets & LTD	Total
ASSETS					
CASH					
Checking	-				-
Pooled Cash	11,311	(11,311)	-		-
TOTAL CASH	11,311	(11,311)	-	-	-
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	11,311	(11,311)	-	-	-
LIABILITIES & DEFERED INFLOWS					
CURRENT LIABILITIES					
Accounts Payable	36,255				36,255
TOTAL CURRENT LIABILITIES	36,255	-	-	-	36,255
DEFERRED INFLOWS					
Deferred Property Taxes	-		-		-
TOTAL DEFERRED INFLOWS	-	-	-	-	-
LONG-TERM LIABILITIES					
Developer Payable- Capital				-	-
Developer Payable- Operations				-	-
Accrued Int- Developer Payable- Ops	-			-	-
Accrued Int- Developer Payable- Cap				-	-
TOTAL LONG-TERM LIABILITIES	-	-	-	-	-
TOTAL LIAB & DEF INFLOWS	36,255	-	-	-	36,255
NET POSITION					
Inv in Capital Assets					-
Amount to be Provided for Debt				-	-
Fund Balance- Non-Spendable	-				-
Fund Balance- Restricted	-	(11,311)	-		(11,311)
Fund Balance- Unassigned	(24,945)				(24,945)
TOTAL NET POSITION	(24,945)	(11,311)	-	-	(36,255)
	=	=	=	=	=

Statement of Revenues, Expenditures, & Changes In Fund Balance

Modified Accrual Basis For the Period Indicated

	2024 Unaudited Actual	2025 Adopted Budget	2025 Amended Budget	2025 Forecast	YTD Thru 09/30/25 Actual	YTD Thru 09/30/25 Budget	Variance Positive (Negative)	2026 Adopted Budget	Budget Notes/Assumptions
PROPERTY TAXES									
Assessed Valuation	-	-	-	-				10	Final AV
Mill Levy - Operations	-	-	-	-				-	No Levy For 2026- No Cap Per Service Plan
Mill Levy - Debt Service Fund	-	-	-	-				-	None for 2026- Capped at 55.664 Adjusted
Total Assessed Valuation	-	-	-	-				-	No Levy for 2026
Property Tax Revenue - Operations	-	-	-	-				-	No Levy For 2026- No Cap Per Service Plan
Property Tax Revenue - Debt Service Fund	-	-	-	-				-	None for 2026- Capped at 55.664 Adjusted
Total Property Taxes	-	-	-	-				-	No Levy for 2026

Statement of Revenues, Expenditures, & Changes In Fund Balance
Modified Accrual Basis For the Period Indicated

	2024 Unaudited Actual	2025 Adopted Budget	2025 Amended Budget	2025 Forecast	YTD Thru 09/30/25 Actual	YTD Thru 09/30/25 Budget	Variance Positive (Negative)	2026 Adopted Budget	Budget Notes/Assumptions
COMBINED FUNDS									
REVENUE									
Property Taxes	-	-	-	-	-	-	-	-	No Levy for 2026
Specific Ownership Taxes	-	-	-	-	-	-	-	-	12.5% of Property Taxes
Interest & Other Income	-	-	-	-	-	-	-	-	
TOTAL REVENUE	-	-	-	-	-	-	-	-	
EXPENDITURES									
<u>Administration</u>									
Accounting	-	14,000	14,000	14,000	-	10,500	10,500	15,000	Costs Until CAB Takes Over in Q1 2026
Audit	-	2,000	2,000	-	-	2,000	2,000	-	Exemption Included In Accounting
Legal	-	15,000	55,000	55,000	24,700	11,250	(13,450)	40,000	Costs Until CAB Takes Over in Q1 2026
District Management	-	-	3,000	2,500	245	-	(245)	10,000	Costs Until CAB Takes Over in Q1 2026
Treasurer's Fees	-	-	-	-	-	-	-	-	1.5% of property tax
Election	-	-	-	-	-	-	-	-	Costs Until CAB Takes Over in Q1 2026
Insurance, Bonds & SDA Dues	-	10,000	10,000	-	-	10,000	10,000	10,000	Costs Until CAB Takes Over in Q1 2026
Website & Miscellaneous Other	-	1,000	1,000	250	-	750	750	1,000	Costs Until CAB Takes Over in Q1 2026
Transfer to CAB	-	-	-	-	-	-	-	-	Transfer of Net Taxes to CAB For Operations
Contingency	-	8,000	100,000	-	-	6,000	6,000	24,000	Costs Until CAB Takes Over in Q1 2026
<u>Debt Service</u>									
Developer Note Repayment Principal	-	-	-	-	-	-	-	-	
Transfer to CAB	-	-	-	-	-	-	-	-	None Available For 2026
Contingency	-	-	15,000	-	-	-	-	-	
<u>Capital Outlay</u>	-	-	100,000	15,000	11,311	-	(11,311)	100,000	Costs Until CAB Takes Over in Q1 2026
TOTAL EXPENDITURES	-	50,000	300,000	86,750	36,255	40,500	4,245	200,000	
REVENUE OVER / (UNDER) EXPENDITURES	-	(50,000)	(300,000)	(86,750)	(36,255)	(40,500)	4,245	(200,000)	
OTHER SOURCES / (USES)									
Developer Advances	-	50,000	300,000	86,750	-	40,500	(40,500)	200,000	To Cover Shortfall
TOTAL OTHER SOURCES / (USES)	-	50,000	300,000	86,750	-	40,500	(40,500)	200,000	
CHANGE IN FUND BALANCE	-	-	-	-	(36,255)	-	(36,255)	-	
BEGINNING FUND BALANCE	-	-	-	-	-	-	-	-	
ENDING FUND BALANCE	-	-	-	-	(36,255)	-	(36,255)	-	
COMPONENTS OF FUND BALANCE	=	=	=	=	=	=	=	=	
Non-Spendable	-	-	-	-	-	-	-	-	
TABOR Emergency Reserve	-	-	-	-	-	-	-	-	
Restricted For Debt Service	-	-	-	-	-	-	-	-	
Restricted for Capital Projects	-	-	-	-	(11,311)	-	-	-	
Unassigned	-	-	-	-	(24,945)	-	-	-	
TOTAL ENDING FUND BALANCE	-	-	-	-	(36,255)	-	(36,255)	-	
	=	=	=	=	=	=	=	=	

Statement of Revenues, Expenditures, & Changes In Fund Balance

Modified Accrual Basis For the Period Indicated

	2024 Unaudited Actual	2025 Adopted Budget	2025 Amended Budget	2025 Forecast	YTD Thru 09/30/25 Actual	YTD Thru 09/30/25 Budget	Variance Positive (Negative)	2026 Adopted Budget	Budget Notes/Assumptions
GENERAL FUND									
REVENUE									
Property Taxes- Operations	-	-	-	-	-	-	-	-	No Levy For 2026- No Cap Per Service Plan 12.5% of Property Taxes
Specific Ownership Taxes	-	-	-	-	-	-	-		
Interest Income	-	-	-	-	-	-	-		
TOTAL REVENUE	-	-	-	-	-	-	-	-	
EXPENDITURES									
Administration									
Accounting	-	14,000	14,000	14,000	-	10,500	10,500	15,000	Costs Until CAB Takes Over in Q1 2026
Audit	-	2,000	2,000	-	-	2,000	2,000	-	Exemption Included In Accounting
District Management	-	-	3,000	2,500	245	-	(245)	10,000	Costs Until CAB Takes Over in Q1 2026
Legal	-	15,000	55,000	55,000	24,700	11,250	(13,450)	40,000	Costs Until CAB Takes Over in Q1 2026
Office Supplies, Bill.com Fees, Other	-	1,000	1,000	250	-	750	750	1,000	Costs Until CAB Takes Over in Q1 2026
Treasurer's Fees	-	-	-	-	-	-	-	-	1.5% of property tax
Election	-	-	-	-	-	-	-	-	Costs Until CAB Takes Over in Q1 2026
Insurance, Bonds & SDA Dues	-	10,000	10,000	-	-	10,000	10,000	10,000	Costs Until CAB Takes Over in Q1 2026
Website	-	-	-	-	-	-	-	-	Costs Until CAB Takes Over in Q1 2026
Transfer to CAB	-	-	-	-	-	-	-	-	Transfer of Net Taxes to CAB For Operations
Contingency /Emergencies/Misc	-	8,000	100,000	-	-	6,000	6,000	24,000	Costs Until CAB Takes Over in Q1 2026
TOTAL EXPENDITURES	-	50,000	185,000	71,750	24,945	40,500	15,555	100,000	
REVENUE OVER / (UNDER) EXPENDITURES	-	(50,000)	(185,000)	(71,750)	(24,945)	(40,500)	15,555	(100,000)	
OTHER SOURCES / (USES)									
Transfers In/(Out)	-	-	(15,000)	-	-	-	-	-	To Cover Shortfall
Developer Advance	-	50,000	200,000	71,750	-	40,500	(40,500)	100,000	
TOTAL OTHER SOURCES / (USES)	-	50,000	185,000	71,750	-	40,500	(40,500)	100,000	
CHANGE IN FUND BALANCE	-	-	-	-	(24,945)	-	(24,945)	-	
BEGINNING FUND BALANCE	-	-	-	-	-	-	-	-	
ENDING FUND BALANCE	-	-	-	-	(24,945)	-	(24,945)	-	
	=	=	=	=	=	=	=	=	

EC East Metropolitan District No. 1
 Statement of Revenues, Expenditures, & Changes In Fund Balance
 Modified Accrual Basis For the Period Indicated

Print Date: 12/2/25

	2024 Unaudited Actual	2025 Adopted Budget	2025 Amended Budget	2025 Forecast	YTD Thru 09/30/25 Actual	YTD Thru 09/30/25 Budget	Variance Positive (Negative)	2026 Adopted Budget	Budget Notes/Assumptions
DEBT SERVICE FUND									
REVENUE									
Property Taxes	-	-	-	-	-	-	-	-	None for 2026- Capped at 55.664 Adjusted 12.5% of Property Taxes
Specific Ownership Taxes	-	-	-	-	-	-	-		
Interest Income	-	-	-	-	-	-	-		
TOTAL REVENUE	-	-	-	-	-	-	-	-	
EXPENDITURES									
Treasurer's Fees	-	-	-	-	-	-	-	-	None Available For 2026
Transfer to CAB	-	-	-	-	-	-	-		
Contingency	-	-	15,000	-	-	-	-		
TOTAL EXPENDITURES	-	-	15,000	-	-	-	-	-	
REVENUE OVER / (UNDER) EXPENDITURES	-	-	(15,000)	-	-	-	-	-	
OTHER SOURCES / (USES)									
Transfers In/(Out)	-	-	15,000	-	-	-	-	-	
TOTAL OTHER SOURCES / (USES)	-	-	15,000	-	-	-	-	-	
CHANGE IN FUND BALANCE	-	-	-	-	-	-	-	-	
BEGINNING FUND BALANCE	-	-	-	-	-	-	-	-	
ENDING FUND BALANCE	-	-	-	-	-	-	-	-	
	=	=	=	=	=	=	=	=	
COMPONENTS OF FUND BALANCE:									
Capitalized Interest Fund	-	-	-	-	-	-	-	-	
Reserve Fund	-	-	-	-	-	-	-	-	
Surplus Fund	-	-	-	-	-	-	-	-	
Bond Payment Fund	-	-	-	-	-	-	-	-	
TOTAL ENDING FUND BALANCE	-	-	-	-	-	-	-	-	
	=	=	=	=	=	=	=	=	

Statement of Revenues, Expenditures, & Changes In Fund Balance
Modified Accrual Basis For the Period Indicated

	2024 Unaudited Actual	2025 Adopted Budget	2025 Amended Budget	2025 Forecast	YTD Thru 09/30/25 Actual	YTD Thru 09/30/25 Budget	Variance Positive (Negative)	2026 Adopted Budget	Budget Notes/Assumptions
CAPITAL FUND									
REVENUE									
Interest Income	-	-	-	-	-	-	-	-	
TOTAL REVENUE	-	-	-	-	-	-	-	-	
EXPENDITURES									
Legal	-	-	15,000	15,000	11,311	-	(11,311)	15,000	Costs Until CAB Takes Over in Q1 2026
Accounting	-	-	-	-	-	-	-	-	
Engineering	-	-	-	-	-	-	-	-	
Bank Fees	-	-	-	-	-	-	-	-	
Water	-	-	-	-	-	-	-	-	
Sanitation	-	-	-	-	-	-	-	-	
Storm Water	-	-	-	-	-	-	-	-	
Streets	-	-	-	-	-	-	-	-	
Parks and Recreation	-	-	-	-	-	-	-	-	
Organizational Costs	-	-	-	-	-	-	-	-	
Developer Repayment	-	-	-	-	-	-	-	-	
Contingency	-	-	85,000	-	-	-	-	85,000	Unforeseen Needs
TOTAL EXPENDITURES	-	-	100,000	15,000	11,311	-	(11,311)	100,000	
REVENUE OVER / (UNDER) EXPENDITURES	-	-	(100,000)	(15,000)	(11,311)	-	(11,311)	(100,000)	
OTHER SOURCES / (USES)									
Transfers In/(Out)	-	-	-	-	-	-	-	-	
Developer Advances	-	-	100,000	15,000	-	-	-	100,000	To Cover Shortfall
TOTAL OTHER SOURCES / (USES)	-	-	100,000	15,000	-	-	-	100,000	
CHANGE IN FUND BALANCE	-	-	-	-	(11,311)	-	(11,311)	-	
BEGINNING FUND BALANCE	-	-	-	-	-	-	-	-	
ENDING FUND BALANCE	-	-	-	-	(11,311)	-	(11,311)	-	
	=	=	=	=	=	=	=	=	

I, Lisa Jacoby, hereby certify that I am the duly appointed Secretary of the EC East Metropolitan District No. 1, 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 EC East Metropolitan District No. 1 held on October 28, 2025.

Lisa Jacoby

Secretary