RESOLUTION OF THE BOARD OF DIRECTORS
OF THE WILLOW BROOK METROPOLITAN DISTRICT
CONCERNING THE ESTABLISHMENT OF RESERVE POLICIES

WHEREAS, the Board of Directors ("Board) of the Willow Brook Metropolitan District (the "District") is to perform certain tasks on a recurring basis in the operation and maintenance of the District infrastructure; and

WHEREAS, the Board of the Willow Brook Metropolitan District reviews the finances of the District on a bi-monthly basis; and

WHEREAS, and Board adopts an annual budget pursuant to statute ; and

WHEREAS, it is the desire of the Board to establish various Reserve Policies for the District.

NOW, THEREFORE, BE IT RESOLVED by the Willow Brook Metropolitan District, Summit County, Colorado, as follows:

The Board hereby establishes the following Reserve Policies:

General Fund Reserve Policy

The Board hereby establishes the following General Fund Reserve Policy:

The intent of the General Fund Reserve is to utilize the voter-approved annual mill levy of not to exceed 5 mills to build a reserve balance of not less than the lesser of $500,000, or two times the annual General Fund Tax Revenue, and to maintain said Reserve, such revenues to be collected, retained and spent for the purposes of funding District operations and maintenance, improvement projects, and any other lawful District purpose as approved by the Board.

State Revolving Fund (SRF) Loan Reserve Policy

The Board hereby establishes the following SRF Reserve Policy:

The intent of the SRF Loan Reserve is to build and maintain a reserve balance of not less than two times the maximum annual debt service on the SRF loan that was used for the water improvements project, utilizing voter-approved ad valorem property taxes collected by the District but not utilized to pay debt service on a current basis. Amounts held in the SRF Loan Reserve will be held solely for the purpose of paying future principal of, premium if any, and interest on the District's current SRF loan.

Road Paving Loan Reserve Policy

The Board hereby establishes the following Road Paving Loan Reserve Policy:

The intent of the Road Paving Loan Reserve is to build and maintain a reserve balance of not less than two times the maximum annual debt service on the current InBank loan utilizing voter-approved ad valorem property taxes collected by the District but not utilized to pay debt service on a current basis. Amounts held in the Road Paving Fund Loan Reserve will be held solely for the purpose of paying future principal of, premium if any, and interest on the District's current Road Paving loan.

Water Utility Fund Reserve

The Board hereby establishes the following Water Utility Fund Reserve Policy:

The intent of the Water Utility Fund Reserve is to build and maintain a minimum reserve balance of $500,000 utilizing the District imposed Project Reserve Fees (currently $75/month per owner) and other funds approved by the Board, such revenues to be collected, retained and spent for the purpose of funding the District's Water Utility Fund Reserve for operations and maintenance and improvement projects for the water system and any other lawful District purpose approved by the Board.

This Resolution rescinds any previously Board adopted reserve policies.

Adopted and approved this 28th day of June, 2024.

WILLOW BROOK METROPOLITAN DISTRICT

By: /s/ EJ Olbright, President

ATTEST:

By: /s/Michael Good, Secretary