

The Ridge at Sand Creek Metropolitan District			
General Fund Budget			
Year Ended 12/31/2022			
Modified Accrual Basis			
	2020	2021	2022
	Actual	Estimate	Proposed Budget
BEGINNING FUND BALANCE	\$ -	\$ -	\$ 1,112
REVENUES			
Developer advances	-	2,200	-
Homeowner Fees	-	17,500	26,000
Homeowner Setup Fee	-	8,700	1,500
Homeowner Status Letter Fee	-	5,800	1,000
Property Tax	-	1,105	7,781
Interest on Delinquent Tax		1	
Specific Ownership Tax	-	129	856
Total Revenues	-	35,435	37,137
EXPENDITURES			
Accounting	-	2,165	5,000
Audit	-	-	-
Legal	-	11,415	5,000
Elections			2,000
District Management	-	2,032	3,000
Dues & subscriptions	-	-	300
Insurance	-	-	2,500
Setup Fee		8,700	1,500
Status Letter Fee		5,800	1,000
County tax collection fee		11	117
Contingency			140
Total General Management	-	30,123	20,557
Maintenance			
Landscape maintenance	-	4,200	10,000
Landscape water	-	-	5,000
Total Maintenance	-	4,200	15,000
Total Expenses	-	34,323	35,557
Excess of Revenues over Expenditures	-	1,112	1,580
Transfer from Capital Fund		-	-
ENDING FUND BALANCE	\$ -	\$ 1,112	\$ 2,693
Emergency Reserve - 3% of Revenues	\$ -	\$ 1,063	\$ 1,114
Unrestricted Fund Balance	-	49	1,578

The Ridge at Sand Creek Metropolitan District			
Capital Fund Budget			
Year Ended 12/31/2022			
Modified Accrual Basis			
	2020	2021	2021
	Actual	Estimate	Proposed Budget
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
REVENUES			
District fees from Lot Sales	\$ -	\$ -	\$ -
Developer Bond Proceeds	-	-	2,320,000
Developer Advances	-	-	2,320,000
Total Revenues	-	-	4,640,000
EXPENDITURES			
Development Costs (90 * \$25,000)	-	-	2,250,000
Bond issue costs	-	-	70,000
Payoff Developer Advances	-	-	2,320,000
Total Capital Expenditures	-	-	4,640,000
Excess of Revenues over Expenditures	-	-	-
Transfer to General Fund	-	-	-
Transfer to Debt Service Fund	-	-	-
ENDING FUND BALANCE	-	-	-

The Ridge at Sand Creek Metropolitan District			
Debt Service Fund Budget			
Year Ended 12/31/2022			
Modified Accrual Basis			
	2020	2021	2022
	Actual	Estimate	Proposed Budget
BEGINNING FUND BALANCE	\$ -	\$ -	\$ 3,654
REVENUES			
Property Tax	-	3,314	23,341
Specific Ownership Tax	-	389	2,568
Total Revenues	-	3,703	25,909
EXPENDITURES			
Interest on Bonds	-	-	25,000
Property Tax Collection Fee		50	350
Total Expenditures	-	50	25,350
Excess of Revenues over Expenditures	-	3,654	558
Transfer from Capital Fund	-	-	-
ENDING FUND BALANCE	-	3,654	4,212

Ridge at Sand Creek Metro District	
Property Taxes	
2021 Valuations for 2022 Taxes	
	2022
	Adopted
Total Assessed Value - Final as of 11/24/21	778,040
Mill Levy - General Operating & Debt Service	40.00
2021 Property Tax to be paid in 2022	\$ 31,122
Property Tax	
Capital - Contractual Obligations	\$ 23,341
Operations & Maintenance	\$ 7,781
Total	\$ 31,122
Mill Levy Charged	
Capital - Contractual Obligations	30.00
Operations & Maintenance	10.00
Total	40.00

THE RIDGE AT SAND CREEK METROPOLITAN DISTRICT
2022 BUDGET MESSAGE

Ridge at Sand Creek Metropolitan District (the “District”) is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act and was formed in June 2020. The District is located entirely within the City of Colorado Springs, El Paso County, State of Colorado. The District was organized to provide financing for the design, acquisition, construction and installation of public improvements, facilities and services. The public improvements to be provided by the District are proposed to include the types of facilities and improvements for streets and roadways, street landscaping, signage, monuments, and lighting, safety protection, park and recreation, sanitation and storm drainage, water improvements and other related improvements and their operation and maintenance.

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

The following budget is prepared on the modified accrual basis of accounting, in accordance with requirements of Colorado Revised Statutes C.R.S. 29-1-105.

2022 BUDGET
GENERAL FUND
REVENUES

1. The primary sources of revenue for the District General Fund in 2022 will be Homeowner Fees.
2. The homeowners will be assessed a \$400 annual fee to cover the shortfall of revenue over expenses in 2022.
3. Property Taxes are based on the assessed value of property within the District as established by El Paso County. Mill levies are budgeted for Operations and Maintenance at 10.000 Mills.
4. Specific ownership taxes are budgeted at 11% of property taxes collected. These taxes are set by the state and collected by the county treasurer primarily on vehicle licensing within the county as a whole. They are allocated by the county treasurer to all taxing entities within the county.

GENERAL FUND
EXPENDITURES

1. Accounting fees include the costs of the accounting firm to review the financial statements, review and file the budget and to prepare annual financial statements.
2. Legal fees are estimated based on the annual requirements of the District.
3. District Management costs are estimated based on costs to manage the District.

THE RIDGE AT SAND CREEK METROPOLITAN DISTRICT
2022 BUDGET MESSAGE

GENERAL FUND - CONTINUED
EXPENDITURES – continued

4. Dues & subscriptions are the estimated SDA dues and office expenses.
5. Insurance is the estimated charges from the Colorado Special Districts Property and Liability Pool insurance.
6. A property tax collection fee is payable to the County at the rate of 1.5% of the property taxes collected, excluding specific ownership tax.
7. Landscape Maintenance and Water is the cost to maintain and water the landscaping, common areas and drainage systems.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of revenues, excluding Developer Loan Proceeds.

CAPITAL FUND

During 2022, public infrastructure improvements to the Ridge at Sand Creek will continue to be constructed within Ridge at Sand Creek Metropolitan District Service Area. These improvements will be constructed and paid for by the Developer. They will then be certified for acceptance by the District. Details of the budget are as follows:

REVENUES

1. A Developer Advance is budgeted for the amount of the public improvements to be constructed in the District.
2. The bond issuance is the estimated amount of the bond issuance for the District's public improvement costs and cost of issuance.

EXPENDITURES

1. Capital Expenditures – The District entered into an Infrastructure Acquisition and Reimbursement Agreement with the Developer. Under this Agreement the District has agreed to reimburse the Developer for District Eligible Costs of Public Infrastructure. The Developer is paying the costs of the Public Infrastructure. The 2022 budget includes an estimate of the District Eligible Costs and Organization Costs to be certified by the Developer to the District in 2022.
2. The estimated cost of issuance of the bonds is budgeted.
3. The District will repay the Developer Advance with the funds from the Bond Issuance.

THE RIDGE AT SAND CREEK METROPOLITAN DISTRICT
2022 BUDGET MESSAGE

DEBT SERVICE FUND
REVENUES

1. Property Taxes are based on the assessed value of property within the District as established by El Paso County. Mill levies are budgeted for Debt Service at 30 Mills.
2. Specific ownership taxes re budgeted at 11% of property taxes collected. These taxes are set by the state and collected by the county treasurer primarily on vehicle licensing within the county as a whole. They are allocated by the county treasurer to all taxing entities within the county.

DEBT AND LEASES

The District anticipates issuing Bonds in 2022, the interest rate is estimated at 5.50%.

The District has no operating or capital leases.

EXPENDITURES

1. Interest on the District Bonds issued is budgeted at \$25,000.
2. A property tax collection fee is payable to the County at the rate of 1.5% of the property taxes collected, excluding specific ownership tax.

ADDITIONAL INFORMATION

1. The basis of accounting for the District is the Modified Accrual Basis.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of El Paso County, Colorado.

On behalf of the Ridge at Sand Creek Metropolitan District,
(taxing entity)^A

the Board of Directors
(governing body)^B

of the Ridge at Sand Creek Metropolitan District
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 778,040 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 778,040 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/10/2021 for budget/fiscal year 2022.
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	<u>10.000</u> mills	\$ <u>7,781</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	10.000 mills	\$ 7,781
3. General Obligation Bonds and Interest ^J	_____ mills	\$ _____
4. Contractual Obligations ^K	<u>30.000</u> mills	\$ <u>23,341</u>
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
_____	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	40.000 mills	\$ 31,122

Contact person: Carrie Bartow Daytime phone: (719) 635 - 0330
(print)
Signed: *Carrie Bartow* Title: Accountant for the District

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

¹ If the *taxing entity's* boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's **FINAL** certification of valuation).

CERTIFICATION OF TAX LEVIES, continued

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.). Taxing entities that are

Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS^J:

1. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

2. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

CONTRACTS^K:

3. Purpose of Contract: Contractual Obligation
Title: Capital Pledge Agreement
Date: June 30, 2020
Principal Amount: TBD
Maturity Date: TBD
Levy: 30.000
Revenue: \$23,341

4. Purpose of Contract: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

Notes:

^A **Taxing Entity**—A jurisdiction authorized by law to impose ad valorem property taxes on taxable property located within its territorial limits (please see notes B, C, and H below). For purposes of the DLG 70 only, a *taxing entity* is also a geographic area formerly located within a *taxing entity's* boundaries for which the county assessor certifies a valuation for assessment and which is responsible for payment of its share until retirement of financial obligations incurred by the *taxing entity* when the area was part of the *taxing entity*. For example: an area of excluded property formerly within a special district with outstanding general obligation debt at the time of the exclusion or the area located within the former boundaries of a dissolved district whose outstanding general obligation debt service is administered by another local government^C.

^B **Governing Body**—The board of county commissioners, the city council, the board of trustees, the board of directors, or the board of any other entity that is responsible for the certification of the *taxing entity's* mill levy. For example: the board of county commissioners is the governing board ex officio of a county public improvement district (PID); the board of a water and sanitation district constitutes ex officio the board of directors of the water subdistrict.

^C **Local Government** - For purposes of this line on Page 1 of the DLG 70, the *local government* is the political subdivision under whose authority and within whose boundaries the *taxing entity* was created. The *local government* is authorized to levy property taxes on behalf of the *taxing entity*. For example, for the purposes of this form:

1. a municipality is both the *local government* and the *taxing entity* when levying its own levy for its entire jurisdiction;
2. a city is the *local government* when levying a tax on behalf of a business improvement district (BID) *taxing entity* which it created and whose city council is the BID board;
3. a fire district is the *local government* if it created a subdistrict, the *taxing entity*, on whose behalf the fire district levies property taxes.
4. a town is the *local government* when it provides the service for a dissolved water district and the town board serves as the board of a dissolved water district, the *taxing entity*, for the purpose of certifying a levy for the annual debt service on outstanding obligations.

^D **GROSS Assessed Value** - There will be a difference between gross assessed valuation and net assessed valuation reported by the county assessor only if there is a “tax increment financing” entity (see below), such as a downtown development authority or an urban renewal authority, within the boundaries of the *taxing entity*. The board of county commissioners certifies each *taxing entity's* total mills upon the *taxing entity's* *Gross Assessed Value* found on Line 2 of Form DLG 57.

^E **Certification of Valuation by County Assessor, Form DLG 57** - The county assessor(s) uses this form (or one similar) to provide valuation for assessment information to a *taxing entity*. The county assessor must provide this certification no later than August 25th each year and may amend it, one time, prior to December 10th. Each entity must use the **FINAL** valuation provided by assessor when certifying a tax levy.

^F **TIF Area**—A downtown development authority (DDA) or urban renewal authority (URA), may form plan areas that use “tax increment financing” to derive revenue from increases in assessed valuation (gross minus net, Form DLG 57 Line 3) attributed to the activities/improvements within the plan area. The DDA or URA receives the differential revenue of each overlapping *taxing entity's* mill levy applied against the *taxing entity's* gross assessed value after subtracting the *taxing entity's* revenues derived from its mill levy applied against the net assessed value.

^G **NET Assessed Value**—The total taxable assessed valuation from which the *taxing entity* will derive revenues for its uses. It is found on Line 4 of Form DLG 57. **Please Note:** A downtown development authority (DDA) may be both a *taxing entity* and have also created its own *TIF area* and/or have a URA *TIF Area* within the DDA's boundaries. As a result DDAs may both receive operating revenue from their levy applied to their certified *NET assessed value* and also receive TIF revenue generated by any *tax entity* levies overlapping the DDA's *TIF Area*, including the DDA's own operating levy.

^H General Operating Expenses (DLG 70 Page 1 Line 1)—The levy and accompanying revenue reported on Line 1 is for general operations and includes, in aggregate, all levies for and revenues raised by a *taxing entity* for purposes not lawfully exempted and detailed in Lines 3 through 7 on Page 1 of the DLG 70. For example: a fire pension levy is included in general operating expenses, unless the pension is voter-approved, if voter-approved, use Line 7 (Other).

^I Temporary Tax Credit for Operations (DLG 70 Page 1 Line 2)—The Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction of 39-1-111.5, C.R.S. may be applied to the *taxing entity*'s levy for general operations to effect refunds. Temporary Tax Credits (TTCs) are not applicable to other types of levies (non-general operations) certified on this form because these levies are adjusted from year to year as specified by the provisions of any contract or schedule of payments established for the payment of any obligation incurred by the *taxing entity* per 29-1-301(1.7), C.R.S., or they are certified as authorized at election per 29-1-302(2)(b), C.R.S.

^J General Obligation Bonds and Interest (DLG 70 Page 1 Line 3)—Enter on this line the total levy required to pay the annual debt service of all general obligation bonds. Per 29-1-301(1.7) C.R.S., the amount of revenue levied for this purpose cannot be greater than the amount of revenue required for such purpose as specified by the provisions of any contract or schedule of payments. Title 32, Article 1 Special districts and subdistricts must complete Page 2 of the DLG 70.

^K Contractual Obligation (DLG 70 Page 1 Line 4)—If repayment of a contractual obligation with property tax has been approved at election and it is not a general obligation bond (shown on Line 3), the mill levy is entered on this line. Per 29-1-301(1.7) C.R.S., the amount of revenue levied for this purpose cannot be greater than the amount of revenue required for such purpose as specified by the provisions of any contract or schedule of payments.

^L Capital Expenditures (DLG 70 Page 1 Line 5)—These revenues are not subject to the statutory property tax revenue limit if they are approved by counties and municipalities through public hearings pursuant to 29-1-301(1.2) C.R.S. and for special districts through approval from the Division of Local Government pursuant to 29-1-302(1.5) C.R.S. or for any *taxing entity* if approved at election. Only levies approved by these methods should be entered on Line 5.

^M Refunds/Abatements (DLG 70 Page 1 Line 6)—The county assessor reports on the *Certification of Valuation* (DLG 57 Line 11) the amount of revenue from property tax that the local government did not receive in the prior year because taxpayers were given refunds for taxes they had paid or they were given abatements for taxes originally charged to them due to errors made in their property valuation. The local government was due the tax revenue and would have collected it through an adjusted mill levy if the valuation errors had not occurred. Since the government was due the revenue, it may levy, in the subsequent year, a mill to collect the refund/abatement revenue. An abatement/refund mill levy may generate revenues up to, but not exceeding, the refund/abatement amount from Form DLG 57 Line 11.

1. Please Note: Pursuant to Article X, Section 3 of the Colorado Constitution, if the *taxing entity* is in more than one county, as with all levies, the abatement levy must be uniform throughout the entity's boundaries and certified the same to each county. To calculate the abatement/refund levy for a *taxing entity* that is located in more than one county, first total the abatement/refund amounts reported by each county assessor, then divide by the *taxing entity*'s total net assessed value, then multiply by 1,000 and round down to the nearest three decimals to prevent levying for more revenue than was abated/refunded. This results in an abatement/refund mill levy that will be uniformly certified to all of the counties in which the *taxing entity* is located even though the abatement/refund did not occur in all the counties.

^N Other (DLG 70 Page 1 Line 7)—Report other levies and revenue not subject to 29-1-301 C.R.S. that were not reported above. For example: a levy for the purposes of television relay or translator facilities as specified in sections 29-7-101, 29-7-102, and 29-7-105 and 32-1-1005 (1) (a), C.R.S.; a voter-approved fire pension levy; a levy for special purposes such as developmental disabilities, open space, etc.