

LETTER OF BUDGET TRANSMITTAL

Date: January 31, 2022

To: Division of Local Government
1313 Sherman Street, Room 521
Denver, Colorado 80203

Attached are the 2022 budget and budget message for OLD RANCH METROPOLITAN DISTRICT in El Paso County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on December 2, 2021. If there are any questions on the budget, please contact:

Mr. Josh Miller
CliftonLarsonAllen LLP
111 S. Tejon, Suite 705
Colorado Springs, Colorado
Phone: 303-779-5710

I, Josh Miller as District Manager of the Old Ranch Metropolitan District, hereby certify that the attached is a true and correct copy of the 2022 budget.

By: _____



**RESOLUTION
TO ADOPT 2022 BUDGET, APPROPRIATE SUMS OF MONEY,
AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY
OLD RANCH METROPOLITAN DISTRICT**

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2022 TO HELP DEFRAY THE COSTS OF GOVERNMENT, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE OLD RANCH METROPOLITAN DISTRICT, EL PASO COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2022, AND ENDING ON THE LAST DAY OF DECEMBER, 2022,

WHEREAS, the Board of Directors of the Old Ranch Metropolitan District has authorized its consultants to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, the proposed budget has been submitted to the Board of Directors of the District for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on December 1, 2021 and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues or planned to be expended from reserves or fund balances so that the budget remains in balance, as required by law; and

WHEREAS, the amount of money necessary to balance the budget for general operating purposes from property tax revenue is \$0; and

WHEREAS, the Board of Directors finds that it is required to temporarily lower the operating mill levy to render a refund for \$0; and

WHEREAS, the amount of money necessary to balance the budget for voter-approved bonds and interest is \$0; and

WHEREAS, the amount of money necessary to balance the budget for contractual obligation purposes from property tax revenue as approved by voters from property tax revenue is \$0; and

WHEREAS, the amount of money necessary to balance the budget for capital expenditure purposes from property tax revenue as approved by voters or at public hearing is \$0; and

WHEREAS, the amount of money necessary to balance the budget for refunds/abatements is \$0; and

WHEREAS, the 2021 valuation for assessment for the District as certified by the County Assessor of El Paso County is \$260; and

WHEREAS, at an election held on November 5, 2002 the District has eliminated the revenue and expenditure limitations imposed on governmental entities by Article X, Section 20 of the Colorado Constitution and Section 29-1-301, C.R.S., as amended.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE OLD RANCH METROPOLITAN DISTRICT OF EL PASO COUNTY, COLORADO:

Section 1. Adoption of Budget. That the budget as submitted, and attached hereto and incorporated herein by this reference, and if amended, then as amended, is hereby approved and adopted as the budget of the Old Ranch Metropolitan District for calendar year 2022.

Section 2. Budget Revenues. That the estimated revenues for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 3. Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 4. Levy of General Property Taxes. That the Board of Directors does hereby certify the levy of general property taxes for collection in 2022 as follows:

A. Levy for General Operating and Other Expenses. That for the purposes of meeting all general operating expense of the District during the 2022 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2021.

B. Temporary Tax Credit or Rate Reduction. That pursuant to Section 39-1-111.5, C.R.S. for the purposes of effect of a refund for the purposes set forth in Section 20 of Article X of the Colorado Constitution, there is hereby certified a temporary property tax credit or temporary mill levy rate reduction of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2021.

C. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all debt retirement expense of the District during the 2022 budget year, as the funding requirements of the current outstanding general obligation indebtedness is detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2021.

D. Levy for Contractual Obligations. That for the purposes of meeting the contractual obligation expense of the District during the 2022 budget year, as detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2021.

E. Levy for Capital Expenditures. That for the purposes of meeting all capital expenditures of the District during the 2022 budget year pursuant to Section 29-1-301(1.2) or 29-1-302(1.5), C.R.S., there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2021.

F. Levy for Refunds/Abatements. That for the purposes of recoupment of refunds/abatements of taxes pursuant to Section 39-10-114(1)(a)(I)(B), C.R.S., there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2021.

Section 5. Property Tax and Fiscal Year Spending Limits. That, being fully informed, the Board finds that the foregoing budget and mill levies do not result in a violation of any applicable property tax or fiscal year spending limitation.


Section 6. Certification. That the appropriate officers of the District are hereby authorized and directed to certify by December 15, 2021, to the Board of County Commissioners of El Paso County, Colorado, the mill levies for the District herein above determined and set, or be authorized and directed to certify to the Board of County Commissioners of El Paso County, Colorado, as herein above determined and set, but as recalculated as needed upon receipt of the final certification of valuation from the County Assessor on or about December 10, 2021 in order to comply with any applicable revenue and other budgetary limits or to implement the intent of the District. That said certification shall be in substantially the form set out and attached hereto and incorporated herein by this reference.

Section 7. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

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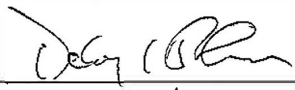
ADOPTED this 1st day of December, 2021.

OLD RANCH METROPOLITAN DISTRICT



President

ATTEST:



Secretary v.p.

ATTACH COPY OF THE ADOPTED BUDGET AND
THE CERTIFICATION OF TAX LEVIES

OLD RANCH METROPOLITAN DISTRICT
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2022

**OLD RANCH METROPOLITAN DISTRICT
SUMMARY
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

1/30/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCES	\$ 248,057	\$ 130,037	\$ 913,678
REVENUES			
Interest income	2,014	1,950	430
Recreation Center fees	-	28,875	30,000
Indoor pool revenue	6,482	30,000	30,000
Recreation Center rental income	-	8,500	8,500
Recreation Center fees - HOA	154,489	314,977	320,000
Developer advance	125,000	458,000	-
Developer Advance - non-cash	17,697,721	22,000,000	-
Water service fees	342,619	230,000	250,000
Other revenue	-	74,760	-
Intergovernmental revenues	1,384,690	13,077,908	12,120,623
Total revenues	<u>19,713,015</u>	<u>36,224,970</u>	<u>12,759,553</u>
TRANSFERS IN	<u>6,240</u>	-	-
Total funds available	<u>19,967,312</u>	<u>36,355,007</u>	<u>13,673,231</u>
EXPENDITURES			
General Fund	1,618,360	1,333,344	1,728,000
Debt Service Fund	496,875	491,985	551,000
Capital Projects Fund	14,742,566	26,535,000	10,165,000
Enterprise Fund	2,973,234	7,081,000	111,000
Total expenditures	<u>19,831,035</u>	<u>35,441,329</u>	<u>12,555,000</u>
TRANSFERS OUT	<u>6,240</u>	-	-
Total expenditures and transfers out requiring appropriation	<u>19,837,275</u>	<u>35,441,329</u>	<u>12,555,000</u>
ENDING FUND BALANCES	<u>\$ 130,037</u>	<u>\$ 913,678</u>	<u>\$ 1,118,231</u>
EMERGENCY RESERVE	\$ 31,600	\$ 44,100	\$ 54,200
INDOOR POOL RESERVE	18,975	20,100	21,225
TOTAL RESERVE	<u>\$ 50,575</u>	<u>\$ 64,200</u>	<u>\$ 75,425</u>

No assurance provided. See summary of significant assumptions.

**OLD RANCH METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

1/30/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
ASSESSED VALUATION			
Agricultural	\$ 20	\$ 20	\$ 20
State assessed	190	260	240
Certified Assessed Value	\$ 210	\$ 280	\$ 260
 MILL LEVY			
General	0.000	0.000	0.000
Total mill levy	0.000	0.000	0.000
 PROPERTY TAXES			
Budgeted property taxes	\$ -	\$ -	\$ -
 BUDGETED PROPERTY TAXES			
	\$ -	\$ -	\$ -

**OLD RANCH METROPOLITAN DISTRICT
GENERAL FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

1/30/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ (81,157)	\$ (529,244)	\$ 64,329
REVENUES			
Interest income	1,080	1,820	300
Intergovernmental revenues	889,462	1,084,745	1,417,430
Recreation Center fees	-	28,875	30,000
Indoor pool revenue	6,482	30,000	30,000
Recreation Center rental income	-	8,500	8,500
Recreation Center fees - HOA	154,489	314,977	320,000
Developer advance	125,000	458,000	-
Total revenues	1,176,513	1,926,917	1,806,230
Total funds available	1,095,356	1,397,673	1,870,559
EXPENDITURES			
General and administrative			
Accounting	70,625	75,000	95,000
Auditing	10,300	12,450	15,000
Dues and licenses	3,451	5,202	6,000
Insurance and bonds	31,706	36,192	40,000
District management	42,072	40,000	80,000
Legal services	20,017	65,000	80,000
Miscellaneous	23,312	15,000	15,000
Gateway Park	-	3,500	3,500
Election expense	7,203	-	8,000
Operations and maintenance			
Landscape maintenance	793,343	630,000	865,000
Landscaping	-	3,000	3,000
Recreation Center - Pool	42,462	20,000	20,000
Recreation Center - Utility - Water	3,326	10,000	20,000
Recreation Center - Other	14,198	10,000	10,000
Recreation Center - Utility - Electricity	5,011	5,000	5,000
Recreation Center - Utility - Gas	5,869	10,000	10,000
Recreation Center - Utility - Wastewater	1,249	5,000	5,000
Recreation Center - Trash Removal	5,230	3,000	3,000
Recreation Center - Management	5,209	4,000	4,000
Recreation Center - Repairs and maintenar	40,229	65,000	80,000
Recreation Center - Cleaning Services	-	8,000	8,000
Non-Potable Water Fees	261,953	150,000	155,000
Pest control	-	7,000	7,000
Cable/Telecom/WIFI	7,454	6,000	7,000
Storm water fees	24,641	40,000	50,000
Utilities	199,500	100,000	125,000
Contingency	-	5,000	8,500
Total expenditures	1,618,360	1,333,344	1,728,000
TRANSFERS OUT			
Transfers to other fund	6,240	-	-
Total expenditures and transfers out requiring appropriation	1,624,600	1,333,344	1,728,000
ENDING FUND BALANCE	\$ (529,244)	\$ 64,329	\$ 142,559
EMERGENCY RESERVE	\$ 31,600	\$ 44,100	\$ 54,200
INDOOR POOL RESERVE	18,975	20,100	21,225
TOTAL RESERVE	\$ 50,575	\$ 64,200	\$ 75,425

No assurance provided. See summary of significant assumptions.

**OLD RANCH METROPOLITAN DISTRICT
DEBT SERVICE FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

1/30/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ 9,256	\$ 8,495	\$ 14,773
REVENUES			
Interest income	886	100	100
Intergovernmental revenues	495,228	498,163	538,193
Total revenues	<u>496,114</u>	<u>498,263</u>	<u>538,293</u>
Total funds available	<u>505,370</u>	<u>506,758</u>	<u>553,066</u>
EXPENDITURES			
Bond interest	394,875	388,245	381,550
Bond principal	102,000	103,000	165,000
Contingency	-	740	4,450
Total expenditures	<u>496,875</u>	<u>491,985</u>	<u>551,000</u>
Total expenditures and transfers out requiring appropriation	<u>496,875</u>	<u>491,985</u>	<u>551,000</u>
ENDING FUND BALANCE	<u>\$ 8,495</u>	<u>\$ 14,773</u>	<u>\$ 2,066</u>

No assurance provided. See summary of significant assumptions.

**OLD RANCH METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

1/30/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ -	\$ (1,100)	\$ 33,660
REVENUES			
Developer Advance - non-cash	14,735,226	15,000,000	-
Other revenue	-	74,760	-
Intergovernmental revenues	-	11,495,000	10,165,000
Total revenues	<u>14,735,226</u>	<u>26,569,760</u>	<u>10,165,000</u>
TRANSFERS IN			
Transfers from other funds	6,240	-	-
Total funds available	<u>14,741,466</u>	<u>26,568,660</u>	<u>10,198,660</u>
EXPENDITURES			
General and Administrative			
Accounting	5,450	5,000	10,000
Legal services	-	-	40,000
Engineering	1,890	-	-
Capital Projects			
Repay developer advance	-	11,495,000	10,081,000
Intergovernmental expenditures	-	35,000	34,000
Capital outlay	14,735,226	15,000,000	-
Total expenditures	<u>14,742,566</u>	<u>26,535,000</u>	<u>10,165,000</u>
Total expenditures and transfers out requiring appropriation	<u>14,742,566</u>	<u>26,535,000</u>	<u>10,165,000</u>
ENDING FUND BALANCE	<u>\$ (1,100)</u>	<u>\$ 33,660</u>	<u>\$ 33,660</u>

No assurance provided. See summary of significant assumptions.

**OLD RANCH METROPOLITAN DISTRICT
ENTERPRISE FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

1/30/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUNDS AVAILABLE	\$ 319,958	\$ 651,886	\$ 800,916
REVENUES			
Interest income	48	30	30
Water service fees	342,619	230,000	250,000
Developer Advance - non-cash	2,962,495	7,000,000	-
Total revenues	<u>3,305,162</u>	<u>7,230,030</u>	<u>250,030</u>
Total funds available	<u>3,625,120</u>	<u>7,881,916</u>	<u>1,050,946</u>
EXPENDITURES			
General and administrative			
Accounting	638	-	-
Engineering	4,657	10,000	10,000
Administrative costs	-	35,000	50,000
Operations and maintenance			
Repairs and maintenance	-	35,000	50,000
Administrative costs	5,444	1,000	1,000
Capital outlay	2,962,495	7,000,000	-
Total expenditures	<u>2,973,234</u>	<u>7,081,000</u>	<u>111,000</u>
Total expenditures and transfers out requiring appropriation	<u>2,973,234</u>	<u>7,081,000</u>	<u>111,000</u>
ENDING FUNDS AVAILABLE	<u>\$ 651,886</u>	<u>\$ 800,916</u>	<u>\$ 939,946</u>

No assurance provided. See summary of significant assumptions.

**OLD RANCH METROPOLITAN DISTRICT
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Old Ranch Metropolitan District (the "District") and Upper Cottonwood Creek Metropolitan District ("Upper Cottonwood") (collectively, the "Districts") were formed under the Joint Service Plan approved by the City of Colorado Springs (the "City") on August 27, 2002. The Service Plan was amended on February 6, 2006 to include the creation of Upper Cottonwood Creek Metropolitan Districts Nos. 2 - 5 within the original boundaries of the Upper Cottonwood Creek Metropolitan District.

The Districts' service area is located entirely within the City of Colorado Springs, El Paso County, Colorado. The District is responsible for managing the construction of certain public facilities and improvements and for operation and maintenance of the limited list of public improvements which were not conveyed to the City. Upper Cottonwood and Upper Cottonwood Nos. 2 - 5 are responsible for providing the funding for capital improvements and to fund limited ongoing operations. Under the Service Plan, the Districts provide the following services: parks and recreation, sanitation (including drainage) improvements, street improvements and water improvements. Upper Cottonwood provides services for mosquito control and safety protection through traffic and safety devices on streets, which will be conveyed to the City.

District voters approved authorization to increase property taxes up to \$1,700,000 annually, as necessary, to pay for the operations and maintenance expenditures of the District. Debt authorization was approved in the amount of \$52,280,000 for the above listed facilities and \$52,280,000 for refunding debt. The election also allows the District to retain all revenues without regard to the limitations contained in Article X, Section 20, of the Colorado constitution or any other law. The maximum mill levy for operations is 3.500 mills and 16.500 mills for debt, provided that changes after January 1, 2003, to the method of calculating assessed valuation may cause adjustments in the mill levies.

Pursuant to the Service Plan, Old Ranch and Upper Cottonwood can collectively issue bond indebtedness of up to \$7,000,000.

The District has no employees and all administrative functions are contractual.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those difference may be material.

Revenues

Developer Advances

A portion of the operating and administrative expenditures and all capital expenditures are to be funded by the Developer. Developer advances are recorded as revenue for budget purposes with an obligation for future repayment when Old Ranch is financially able to reimburse the Developer from bond proceeds and other available revenue.

**OLD RANCH METROPOLITAN DISTRICT
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (continued)

Recreation Center Fees

The District assesses a user fee for usage of its swimming pool and recreation center. The District also charges a fee for rental of the recreation center facilities.

Indoor Pool Revenue

On February 10, 2010, the District entered into an agreement with AFA Falfins, Inc. ("Falfins") that allows Falfins to use the pool during the Off Season for swim lessons, water aerobics and other related activities. It is estimated the revenue collections for 2022 will be \$30,000.

Water Service Charges

The District bills its customers for water services. Revenue for water service is mainly comprised of billings to residential and commercial customers for irrigation fees based upon water meter readings at established rates.

Net Investment Income

Interest earned on the District's available funds has been estimated based on the current interest rate of approximately .02%.

Intergovernmental Revenue

The intergovernmental revenue represents transfers from Upper Cottonwood and Upper Cottonwood Districts Nos. 2 - 5 to provide funding for the overall administrative and operating costs for the Districts, as well as to pay bond indebtedness that funded capital infrastructure.

Expenditures

Administrative and Operating Expenditures

Administrative and operating expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, management, accounting, landscaping, recreation center expenditures, insurance, banking, and meeting costs.

Operations and Maintenance

These expenditures represent water purchases, repairs and maintenance, utilities and other related expenses associated with the delivery of water to the District's customers.

Debt Service

Principal and interest payments are provided based on the attached debt amortization schedule. The scheduled principal payment on the Series 2007 Bonds was not fully funded in 2021 and is not anticipated to be fully funded in 2022. See "Debt and Leases" below.

**OLD RANCH METROPOLITAN DISTRICT
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures – (continued)

Capital Outlay

The District anticipates infrastructure improvements as noted in the Capital Projects Fund.

Debt and Leases

On March 15, 2007, the District issued \$6,996,114 in General Obligation Bonds, including \$5,696,114 of Tax Exempt Capital Appreciation Bonds (CABs) and \$1,300,000 of Taxable Subordinate Bonds. The CABs converted to current interest bonds on December 1, 2008, and bear interest at a rate of 6.500%. The Subordinate Bonds bear interest at a rate of 8.000% and are paid from any remaining cash subsequent to the CABs being paid. It is not anticipated that the Subordinate Bonds will be paid during 2017 based on available cash. The proceeds were used to pay for bond issuance costs and to reimburse the Developer for advances made on behalf of the District for capital infrastructure costs. The District's current debt service schedule is attached for the CABs; the subordinated bonds are paid as cash is available and, therefore, a debt service schedule is not presented.

Currently, pledged revenue of the District is not sufficient to pay when due the full amount of the principal on the CABs. To the extent that any bond is not paid when due, that Bond shall remain due until paid. The non-payment of principal or interest on the CABs does not constitute an event of default with respect to the certified record of proceedings.

The District has outstanding subordinate bonds and developer advances with activity in 2021 estimated as follows:

	Balance - December 31, 2020	Estimated Additions	Estimated Retirements	Balance - December 31, 2021
Series 2007B Taxable				
Subordinate Special				
Revenue Bonds	\$ 1,300,000	\$ -	\$ -	\$ 1,300,000
Interest on Subordinate Bonds	1,750,666	242,491	-	1,993,157
Developer Advances - Enterprise	9,394,314	7,000,000	-	16,394,314
Interest on Developer				
Advances - Enterprise	451,461	657,602	-	1,109,063
Developer Advances - Governmental	86,873,659	15,458,000	11,495,000	90,836,659
Interest on Developer				
Advances - Governmental	33,724,990	5,466,728	-	39,191,718
Total	\$ 133,495,090	\$ 28,824,821	\$ 11,495,000	\$ 150,824,911
	Balance - December 31, 2021	Estimated Additions	Estimated Retirements	Balance - December 31, 2022
Series 2007B Taxable				
Subordinate Special				
Revenue Bonds	\$ 1,300,000	\$ -	\$ -	\$ 1,300,000
Interest on Subordinate Bonds	1,993,157	261,890	-	2,255,047
Developer Advances - Enterprise	16,394,314	-	-	16,394,314
Interest on Developer				
Advances - Enterprise	1,109,063	1,147,602	-	2,256,665
Developer Advances - Governmental	90,836,659	-	10,081,000	80,755,659
Interest on Developer				
Advances - Governmental	39,191,718	6,358,566	-	45,550,284
Total	\$ 150,824,911	\$ 7,768,058	\$ 10,081,000	\$ 148,511,969

The District has no operating or capital leases.

**OLD RANCH METROPOLITAN DISTRICT
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Reserves

Emergency Reserve

The District has provided for an Emergency Reserve equal to at least 3.000% of the fiscal year spending for 2022, defined under TABOR.

Indoor Pool Reserve

The District is responsible for maintaining a reserve fund that both the District and Falfins will make contributions into that will be used to pay for future repairs and maintenance to the pool.

This information is an integral part of the accompanying budget.

**OLD RANCH METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

**\$6,355,000 Special Revenue
Convertible Capital Appreciation Bonds
Series 2007A
Dated March 15, 2007
Interest Rate 6.5%
Principal Due December 1
Interest Payable June 1 and December 1**

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	* \$ 165,000	\$ 381,550	\$ 546,550
2023	890,000	370,825	1,260,825
2024	245,000	312,975	557,975
2025	265,000	297,050	562,050
2026	280,000	279,825	559,825
2027	300,000	261,625	561,625
2028	320,000	221,325	541,325
2029	340,000	221,325	561,325
2030	360,000	199,225	559,225
2031	385,000	175,825	560,825
2032	410,000	150,800	560,800
2033	435,000	124,150	559,150
2034	465,000	95,875	560,875
2035	490,000	65,650	555,650
2036	520,000	33,800	553,800
	<u>\$ 5,870,000</u>	<u>\$ 3,191,825</u>	<u>\$ 9,061,825</u>

* NOTE: This debt to maturity schedule only represent the senior general obligation of the District. Principal amount for 2022 represents anticipated budgeted amount as compared to actual amount due of \$230,000. It is assumed unpaid principal from prior years will be paid in 2023.

No assurance provided. See summary of significant assumptions.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of El Paso County, Colorado.

On behalf of the Old Ranch Metropolitan District,
(taxing entity)^A

the Board of Directors
(governing body)^B

of the Old Ranch Metropolitan District
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 260 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: \$ 260 (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: 12/08/2021 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>0.000</u> mills	\$ <u>0</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	0.000 mills	\$ 0
3. General Obligation Bonds and Interest ^J	_____ mills	_____
4. Contractual Obligations ^K	_____ mills	\$ _____
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]	0.000 mills	\$ 0

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: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

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.

Proof of Publication

THE TRANSCRIPT
Colorado Springs, Colorado

STATE OF COLORADO } ss.
COUNTY OF EL PASO }

I, Amy Sweet, Publisher and Executive Editor, or the undersigned Authorized Agent of the Publisher and Executive Editor, do solemnly swear that I am the Publisher and Executive Editor, or Authorized Agent of the Publisher and Executive Editor of The Transcript; that the same is a tri-weekly newspaper and published in the County of El Paso, State of Colorado, and has a general circulation therein; that said newspaper has been published continuously and uninterruptedly in said County of El Paso for a period of more than fifty-two consecutive weeks prior to the first publication of the annexed legal notice or advertisement; that said newspaper has been admitted to the United States mails as second-class matter under the provisions of the Act of March 3, 1879, or any amendments thereof, and that said newspaper is a tri-weekly newspaper duly qualified for publishing legal notices and advertisements within the meaning of the laws of the State of Colorado.

That the annexed legal notice or advertisement was published in the regular and entire issue of every number of said tri-weekly newspapers for the period of 1 consecutive insertion(s), and/or once each week and on the same days of each week; and that the first publication of said notice was in the issue of said newspaper dated:

22, OCTOBER, A.D. 2021.

And that the last publication of said notice was in the issue of said newspaper dated:

22, OCTOBER, A.D. 2021.

In witness whereof, I have hereunto set my hand this 22nd day of October, A.D. 2021.

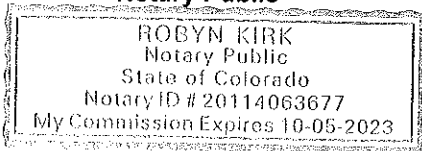
Cathy Reilly

Publisher and Executive Editor / Authorized Agent

Subscribed and sworn to before me, a notary public in and for the County of El Paso, State of Colorado, this 22nd day of October, A.D. 2021.

Robyn Kirk

Notary Public



NOTICE OF HEARING ON
PROPOSED 2022 BUDGET AND
AND 2021 BUDGET AMENDMENT

NOTICE IS HEREBY GIVEN that the proposed budget for the ensuing year of 2022 has been submitted to the Old Ranch Metropolitan District ("District"). Such proposed budget will be considered at a meeting and public hearing of the Board of Directors of the District to be held at 10:00 a.m. on December 1, 2021, via telephone and videoconference. To attend and participate by telephone, dial 720-547-5281 and enter passcode 923 784 775#. Information regarding public participation by videoconference will be available at least 24 hours prior to the meeting and public hearing online at <http://www.oldranchmetrodistrict.org/> or by contacting Kimbrie Garcia by email at Kimbrie.Garcia@claconnect.com or by telephone at 719-635-0330.

NOTICE IS FURTHER GIVEN that an amendment to the 2021 budget of the District may also be considered at the above-referenced meeting and public hearing of the Board of Directors of the District. A copy of the proposed 2022 budget and the amended 2021 budget, if required, are available for public inspection at the offices of CliftonLarsonAllen LLP, 111 S. Tejon Street, Suite 7015, Colorado Springs, Colorado 80903. Please contact Kimbrie Garcia by email at Kimbrie.Garcia@claconnect.com or by telephone at 719-635-0330 to make arrangements to inspect the budget(s) prior to visiting the foregoing office. Any interested elector within the District may, at any time prior to final adoption of the 2022 budget and the amended 2021 budget, if required, file or register any objections thereto.

OLD RANCH
METROPOLITAN DISTRICT
By: /s/ Timothy Seibert, President
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