

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 UPPER COTTONWOOD CREEK METROPOLITAN DISTRICT No. 4 in El Paso County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on December 1, 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 Upper Cottonwood Creek Metropolitan District No. 4, 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
UPPER COTTONWOOD CREEK METROPOLITAN DISTRICT NO. 4

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2022 TO HELP DEFRAID 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 UPPER COTTONWOOD CREEK METROPOLITAN DISTRICT NO. 4, 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 Upper Cottonwood Creek Metropolitan District No. 4 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 \$239,667; 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 \$359,495; 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 \$10,764,290; 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 UPPER COTTONWOOD CREEK METROPOLITAN DISTRICT NO. 4 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 Upper Cottonwood Creek Metropolitan District No. 4 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 22.265 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 33.397 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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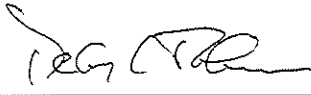
ADOPTED this 1st day of December, 2021.

UPPER COTTONWOOD CREEK METROPOLITAN DISTRICT NO. 4



President

ATTEST:



Secretary *V.P.*

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

UPPER COTTONWOOD CREEK METROPOLITAN DISTRICT NO. 4

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2022

**UPPER COTTONWOOD CREEK METROPOLITAN DISTRICT NO. 4
SUMMARY
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

1/7/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCES	\$ 148,589	\$ 299,368	\$ 263,968
REVENUES			
Property taxes	227,452	334,479	599,162
Specific ownership tax	24,712	38,520	59,917
Interest income	1,540	340	350
Other revenue	-	-	838
Bond issuance	-	5,095,000	5,530,000
Total revenues	<u>253,704</u>	<u>5,468,339</u>	<u>6,190,267</u>
Total funds available	<u>402,293</u>	<u>5,767,707</u>	<u>6,454,235</u>
EXPENDITURES			
General Fund	100,878	149,241	264,522
Debt Service Fund	2,047	259,498	659,713
Capital Projects Fund	-	5,095,000	5,530,000
Total expenditures	<u>102,925</u>	<u>5,503,739</u>	<u>6,454,235</u>
Total expenditures and transfers out requiring appropriation	<u>102,925</u>	<u>5,503,739</u>	<u>6,454,235</u>
ENDING FUND BALANCES	<u>\$ 299,368</u>	<u>\$ 263,968</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

UPPER COTTONWOOD CREEK METROPOLITAN DISTRICT NO. 4
PROPERTY TAX SUMMARY INFORMATION
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,

1/7/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
ASSESSED VALUATION			
Residential	\$ 3,887,430	\$ 4,420,320	7,339,790
Commercial	-	86,550	90
Agricultural	7,200	5,720	5,380
State assessed	3,190	4,170	4,050
Vacant land	186,690	1,492,340	3,414,980
Certified Assessed Value	<u>\$ 4,084,510</u>	<u>\$ 6,009,100</u>	<u>\$ 10,764,290</u>
MILL LEVY			
General	22.265	22.265	22.265
Debt Service	33.397	33.397	33.397
Total mill levy	<u>55.662</u>	<u>55.662</u>	<u>55.662</u>
PROPERTY TAXES			
General	\$ 90,942	\$ 133,793	\$ 239,667
Debt Service	136,410	200,686	359,495
Levied property taxes	<u>227,352</u>	<u>334,479</u>	<u>599,162</u>
Adjustments to actual/rounding	-	-	-
Budgeted property taxes	<u>\$ 227,352</u>	<u>\$ 334,479</u>	<u>\$ 599,162</u>
BUDGETED PROPERTY TAXES			
General	\$ 90,941	\$ 133,793	\$ 239,667
Debt Service	136,411	200,686	359,495
	<u>\$ 227,352</u>	<u>\$ 334,479</u>	<u>\$ 599,162</u>

No assurance provided. See summary of significant assumptions.

**UPPER COTTONWOOD CREEK METROPOLITAN DISTRICT NO. 4
GENERAL FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

1/7/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
REVENUES			
Property taxes	90,981	133,793	239,667
Specific ownership tax	9,885	15,408	23,967
Interest income	12	40	50
Other revenue	-	-	838
Total revenues	<u>100,878</u>	<u>149,241</u>	<u>264,522</u>
Total funds available	<u>100,878</u>	<u>149,241</u>	<u>264,522</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	1,365	2,007	3,595
Intergovernmental expenditures - Old Ranch	99,513	147,234	260,560
Contingency	-	-	367
Total expenditures	<u>100,878</u>	<u>149,241</u>	<u>264,522</u>
Total expenditures and transfers out requiring appropriation	<u>100,878</u>	<u>149,241</u>	<u>264,522</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

UPPER COTTONWOOD CREEK METROPOLITAN DISTRICT NO. 4
DEBT SERVICE FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,

1/7/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ 148,589	\$ 299,368	\$ 263,968
REVENUES			
Property taxes	136,471	200,686	359,495
Specific ownership tax	14,827	23,112	35,950
Interest income	1,528	300	300
Total revenues	<u>152,826</u>	<u>224,098</u>	<u>395,745</u>
Total funds available	<u>301,415</u>	<u>523,466</u>	<u>659,713</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	2,047	3,010	5,392
Debt Service			
Bond interest - Series 2021	-	205,498	302,700
Bond interest - Series 2022	-	-	290,623
Bond principal - Series 2021	-	50,000	60,000
Contingency	-	990	998
Total expenditures	<u>2,047</u>	<u>259,498</u>	<u>659,713</u>
Total expenditures and transfers out requiring appropriation	<u>2,047</u>	<u>259,498</u>	<u>659,713</u>
ENDING FUND BALANCE	<u>\$ 299,368</u>	<u>\$ 263,968</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**UPPER COTTONWOOD CREEK METROPOLITAN DISTRICT NO. 4
 CAPITAL PROJECTS FUND
 2022 BUDGET
 WITH 2020 ACTUAL AND 2021 ESTIMATED
 For the Years Ended and Ending December 31,**

1/7/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
REVENUES			
Bond issuance	-	5,095,000	5,530,000
Total revenues	<u>-</u>	<u>5,095,000</u>	<u>5,530,000</u>
Total funds available	<u>-</u>	<u>5,095,000</u>	<u>5,530,000</u>
EXPENDITURES			
General and Administrative			
Intergovernmental expenditures - Old Ranch	-	5,057,500	5,492,500
Bond issue costs	-	37,500	37,500
Total expenditures	<u>-</u>	<u>5,095,000</u>	<u>5,530,000</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>5,095,000</u>	<u>5,530,000</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**UPPER COTTONWOOD CREEK METROPOLITAN DISTRICT NO. 4
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Upper Cottonwood Creek Metropolitan District No. 4 (the “District”) was formed February 6, 2006, when the original Joint Service Plan of Upper Cottonwood Creek Metropolitan District and Old Ranch Metropolitan District was amended. Upper Cottonwood Creek Metropolitan District and Old Ranch Metropolitan District were formed under a Joint Service Plan approved by the City of Colorado Springs on August 27, 2002. The District was formed concurrently with Upper Cottonwood Creek Metropolitan District Nos. 2 – 3 and No. 5. The Service Plans for Upper Cottonwood Creek Metropolitan District Nos. 2-5 were again amended on March 22, 2016.

The District’s service area is located entirely within the City of Colorado Springs (the “City”), El Paso County, Colorado. Old Ranch Metropolitan 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. The District, Upper Cottonwood Creek Metropolitan District, and Upper Cottonwood Creek Metropolitan District Nos. 2 – 3 and No. 5 are responsible for providing the funding for capital improvements and to fund limited ongoing operations. Under the Service Plan, the District has the power to provide public improvements within the boundaries of the District, as described in the Special District Act, Section 32-1-101 of the Colorado Revised Statutes.

District voters approved debt authorization in the amount of \$252,500,000 for payment of capital costs. 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 and maintenance shall be 20.000 mills per the 2016 amended Service Plant, and the mill levy for debt shall not exceed 30.000 mills. Pursuant to the Service Plan, the District can issue bond indebtedness of up to \$30,000,000.

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

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

Property Taxes

Property taxes are levied by the District’s Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer’s election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

**UPPER COTTONWOOD CREEK METROPOLITAN DISTRICT NO. 4
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (continued)

Property Taxes – (continued)

The calculation of the taxes levied is displayed on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

Specific Ownership Tax

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 10.000% of the property taxes collected.

Net Investment Income

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

Bond Issuance

The District issued bonds in 2021. Bond terms and interest rate are noted below. The District anticipates issuing bonds in 2022. See anticipated bond terms and interest rates below.

Expenditures

County Treasurer's Fees

County Treasurer's collection fees have been computed at 1.50% of property taxes.

Intergovernmental Expenditures

Intergovernmental expenditures represent transfers to Old Ranch to provide funding for the overall administrative and operating costs for the Districts in accordance with the Joint Financing and Reimbursement Agreement with Old Ranch.

Capital Outlay

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

Debt Service

Principal and interest payments are provided based on the debt amortization schedule from the Series 2021 (discussed under Debt and Leases).

**UPPER COTTONWOOD CREEK METROPOLITAN DISTRICT NO. 4
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases

On March 29, 2021, the District issued \$5,095,000 in Limited Tax General Obligation Bonds (the 2021 Bonds) for public improvements. The Bond bears interest at a rate of 6%, maturing on December 1, 2050. Bond interest and principal payments are payable annually on December 1. Any accrued and unpaid interest will compound on December 1 of each year. To the extent principal of the 2021 Bonds is not paid when due, such principal shall remain outstanding until paid.

The District anticipates issuing \$5,530,000 in Limited Tax General Obligation Bonds (the 2022 Bonds) in January 2022 for public improvements. The Bonds are anticipated to bear interest at a rate of 6%, maturing on December 1, 2051.

The District has no capital or operating leases.

Reserves

Emergency Reserves

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year spending. Since substantially all funds received by the District are transferred to Old Ranch Metropolitan District, which pays for all of the District's operations and maintenance costs, an Emergency Reserve is not reflected in the District's Budget. It is accounted for in Old Ranch Metropolitan District.

This information is an integral part of the accompanying budget.

**UPPER COTTONWOOD METROPOLITAN DISTRICT NO. 4
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

**\$5,095,000 Limited Tax General Obligation Bonds
Series 2021, Dated March 29, 2021**

Interest Rate 6%

Year Ended December 31,	Principal and Interest Due December 1		
	Principal	Interest	Total
2022	\$ 60,000	\$ 302,700	\$ 362,700
2023	65,000	299,100	364,100
2024	75,000	295,200	370,200
2025	80,000	290,700	370,700
2026	85,000	285,900	370,900
2027	90,000	280,800	370,800
2028	95,000	275,400	370,400
2029	105,000	269,700	374,700
2030	110,000	263,400	373,400
2031	115,000	256,800	371,800
2032	125,000	249,900	374,900
2033	130,000	242,400	372,400
2034	140,000	234,600	374,600
2035	145,000	226,200	371,200
2036	155,000	217,500	372,500
2037	165,000	208,200	373,200
2038	175,000	198,300	373,300
2039	185,000	187,800	372,800
2040	195,000	176,700	371,700
2041	210,000	165,000	375,000
2042	220,000	152,400	372,400
2043	235,000	139,200	374,200
2044	250,000	125,100	375,100
2045	265,000	110,100	375,100
2046	280,000	94,200	374,200
2047	295,000	77,400	372,400
2048	315,000	59,700	374,700
2049	330,000	40,800	370,800
2050	350,000	21,000	371,000
	<u>\$ 5,045,000</u>	<u>\$ 5,746,200</u>	<u>\$ 10,791,200</u>

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 Upper Cottonwood Creek Metropolitan District No. 4,
(taxing entity)^A

the Board of Directors
(governing body)^B

of the Upper Cottonwood Creek Metropolitan District No. 4
(local government)^C


Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 10,764,290 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: \$ 10,764,290 (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>22.265</u> mills	\$ <u>239,667</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	22.265 mills	\$ 239,667
3. General Obligation Bonds and Interest ^J	<u>33.397</u> mills	\$ <u>359,495</u>
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]	55.662 mills	\$ 599,162

Contact person: Carrie Bartow Daytime phone: (719) 635 - 0330

Signed:  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:	Public infrastructure
	Series:	2021 General Obligation Bonds
	Date of Issue:	3/18/21
	Coupon Rate:	6.00%
	Maturity Date:	12/1/2050
	Levy:	33.397
	Revenue:	\$359,495

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.

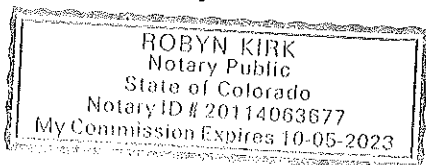
Amy Sweet

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 Upper Cottonwood Creek Metropolitan District No. 4 ("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.

UPPER COTTONWOOD CREEK
METROPOLITAN DISTRICT NO. 4

By: /s/ Timothy Seibert, President
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