

## LETTER OF BUDGET TRANSMITTAL

Date: January 31, 2024

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

Attached are the 2024 budget and budget message for UPPER COTTONWOOD CREEK METROPOLITAN DISTRICT NO. 2 in El Paso County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on November 7, 2023. If there are any questions on the budget, please contact:

Josh Miller, District Manager  
CliftonLarsonAllen LLP  
121 S. Tejon St., Ste. 1100  
Colorado Springs, CO 80903  
Telephone number: 719-635-0330  
[Josh.Miller@claconnect.com](mailto:Josh.Miller@claconnect.com)

I, Josh Miller, District Manager of the UPPER COTTONWOOD CREEK METROPOLITAN DISTRICT NO. 2 hereby certify that the attached is a true and correct copy of the 2024 budget.

By:



---

Josh Miller, District Manager

**RESOLUTION**  
**TO ADOPT 2024 BUDGET, APPROPRIATE SUMS OF MONEY,**  
**AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY**  
**UPPER COTTONWOOD CREEK METROPOLITAN DISTRICT NO. 2**

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2024 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. 2, EL PASO COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2024, AND ENDING ON THE LAST DAY OF DECEMBER, 2024,

WHEREAS, the Board of Directors of the Upper Cottonwood Creek Metropolitan District No. 2 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 November 7, 2023 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 \$427,580; 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 \$; 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 2023 valuation for assessment for the District as certified by the County Assessor of El Paso is \$32,865,510; 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. 2 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. 2 for calendar year 2024.

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 2024 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 2024 budget year, there is hereby levied a tax of 13.010 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2023.

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 2023.

C. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all debt retirement expense of the District during the 2024 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 39.030 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2023.

D. Levy for Contractual Obligations. That for the purposes of meeting the contractual obligation expense of the District during the 2024 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 2023.

E. Levy for Capital Expenditures. That for the purposes of meeting all capital expenditures of the District during the 2024 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 2023.

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 2023.

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 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 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.

*[remainder of page intentionally left blank; signature page follows]*

ADOPTED this 7th day of November, 2023.

UPPER COTTONWOOD CREEK  
METROPOLITAN DISTRICT NO.2

\_\_\_\_\_  
President

DocuSigned by:  
*Tim Seibert*  
F9387EC0B99F48F...

ATTEST:

\_\_\_\_\_  
Secretary

DocuSigned by:  
*[Signature]*  
E215D004120B440...

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

**UPPER COTTONWOOD CREEK METROPOLITAN DISTRICT NO. 2**  
**ANNUAL BUDGET**  
**FOR THE YEAR ENDING DECEMBER 31, 2024**

**UPPER COTTONWOOD CREEK METROPOLITAN DIST NO. 2**  
**SUMMARY**  
**2024 BUDGET**  
**WITH 2022 ACTUAL AND 2023 ESTIMATED**  
**For the Years Ended and Ending December 31, 2024**

1/10/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 1,429,045	\$ 1,565,528	\$ 1,753,013
REVENUES			
Property taxes	1,206,564	1,208,973	1,710,321
Specific ownership taxes	125,455	121,204	171,032
Interest income	37,787	90,050	100,050
Other revenue	-	-	10,612
Total revenues	1,369,806	1,420,227	1,992,015
 Total funds available	 2,798,851	 2,985,755	 3,745,028
EXPENDITURES			
General Fund	333,071	332,816	481,000
Debt Service Fund	900,252	899,926	910,000
Total expenditures	1,233,323	1,232,742	1,391,000
 Total expenditures and transfers out requiring appropriation	 1,233,323	 1,232,742	 1,391,000
ENDING FUND BALANCES	\$ 1,565,528	\$ 1,753,013	\$ 2,354,028



**UPPER COTTONWOOD CREEK METROPOLITAN DIST NO. 2**  
**PROPERTY TAX SUMMARY INFORMATION**  
**2024 BUDGET**  
**WITH 2022 ACTUAL AND 2023 ESTIMATED**  
**For the Years Ended and Ending December 31, 2024**

1/10/24

ACTUAL	ESTIMATED	BUDGET
2022	2023	2024

**ASSESSED VALUATION**

Residential	\$ 27,092,320	\$ 26,386,320	\$ 32,863,960
Commercial	3,670	5,230	1,430
State assessed	-	-	120
Vacant land	120	60	-
	<u>27,096,110</u>	<u>26,391,610</u>	<u>32,865,510</u>
Certified Assessed Value	<u>\$ 27,096,110</u>	<u>\$ 26,391,610</u>	<u>\$ 32,865,510</u>

**MILL LEVY**

General	11.132	11.452	13.010
Debt Service	33.397	34.357	39.030
Total mill levy	<u>44.529</u>	<u>45.809</u>	<u>52.040</u>

**PROPERTY TAXES**

General	\$ 301,634	\$ 302,237	\$ 427,580
Debt Service	904,929	906,737	1,282,741
Levied property taxes	<u>1,206,563</u>	<u>1,208,974</u>	<u>1,710,321</u>
Adjustments to actual/rounding	1	-	-
Budgeted property taxes	<u>\$ 1,206,564</u>	<u>\$ 1,208,974</u>	<u>\$ 1,710,321</u>

**BUDGETED PROPERTY TAXES**

General	\$ 301,641	\$ 302,237	\$ 427,580
Debt Service	904,923	906,737	1,282,741
	<u>\$ 1,206,564</u>	<u>\$ 1,208,974</u>	<u>\$ 1,710,321</u>

**UPPER COTTONWOOD CREEK METROPOLITAN DIST NO. 2**  
**GENERAL FUND**  
**2024 BUDGET**  
**WITH 2022 ACTUAL AND 2023 ESTIMATED**  
**For the Years Ended and Ending December 31, 2024**

1/10/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	301,641	302,236	427,580
Specific ownership taxes	31,364	30,530	42,758
Interest income	66	50	50
Other revenue	-	-	10,612
Total revenues	333,071	332,816	481,000
TRANSFERS IN			
Total funds available	333,071	332,816	481,000
EXPENDITURES			
General and administrative			
County Treasurer's fee	4,526	4,534	6,414
Contingency	-	-	10,612
Intergovernmental expenditures - Old Ranch MD	328,545	328,282	463,974
Total expenditures	333,071	332,816	481,000
TRANSFERS OUT			
Total expenditures and transfers out requiring appropriation	333,071	332,816	481,000
ENDING FUND BALANCES	\$ -	\$ -	\$ -

**UPPER COTTONWOOD CREEK METROPOLITAN DIST NO. 2**  
**DEBT SERVICE FUND**  
**2024 BUDGET**  
**WITH 2022 ACTUAL AND 2023 ESTIMATED**  
**For the Years Ended and Ending December 31, 2024**

1/10/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2 2024
BEGINNING FUND BALANCES	\$ 1,429,045	\$ 1,565,528	\$ 1,753,013
REVENUES			
Property taxes	904,923	906,737	1,282,741
Specific ownership taxes	94,091	90,674	128,274
Interest income	37,721	90,000	100,000
Total revenues	1,036,735	1,087,411	1,511,015
Total funds available	2,465,780	2,652,939	3,264,028
EXPENDITURES			
General and administrative			
County Treasurer's fee	13,577	13,601	19,241
Contingency	-	-	5,459
Debt Service			
Bond Interest - Series 2010	144,375	140,625	136,500
Bond Interest - Series 2018	445,500	439,800	433,800
Bond Interest - Series 2019	136,800	135,900	135,000
Bond Principal - Series 2010	50,000	55,000	55,000
Bond Principal - Series 2018	95,000	100,000	110,000
Bond Principal - Series 2019	15,000	15,000	15,000
Total expenditures	900,252	899,926	910,000
Total expenditures and transfers out requiring appropriation	900,252	899,926	910,000
ENDING FUND BALANCES	\$ 1,565,528	\$ 1,753,013	\$ 2,354,028

**UPPER COTTONWOOD CREEK METROPOLITAN DISTRICT NO 2  
2024 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

Upper Cottonwood Creek Metropolitan District No. 2 (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. 3 – 5.

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. 3 – 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 \$210,000,000 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 10.000 mills, 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 \$25,000,000.

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.

**UPPER COTTONWOOD CREEK METROPOLITAN DISTRICT NO 2  
2024 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues (continued)**

**Property Taxes (continued)**

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.

Pursuant to the Service Plan, the District is required to adjust its maximum Required Mill Levy for changes in the ratio of actual to assessed value of property within the District. Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in a amount sufficient to pay the principal, premium if any, and interest on the Bonds as the same become due and payable.

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.

For property tax collection year 2024, SB22-238 and SB23B-001 set the assessment rates and actual value reductions as follows:

<b>Category</b>	<b>Rate</b>		<b>Category</b>	<b>Rate</b>		<b>Actual Value Reduction</b>	<b>Amount</b>
Single-Family Residential	6.70%		Agricultural Land	26.40%		Single-Family Residential	\$55,000
Multi-Family Residential	6.70%		Renewable Energy Land	26.40%		Multi-Family Residential	\$55,000
Commercial	27.90%		Vacant Land	27.90%		Commercial	\$30,000
Industrial	27.90%		Personal Property	27.90%		Industrial	\$30,000
Lodging	27.90%		State Assessed	27.90%		Lodging	\$30,000
			Oil & Gas Production	87.50%			

**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 10.0% 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 5.0%.

**UPPER COTTONWOOD CREEK METROPOLITAN DISTRICT NO 2**  
**2024 BUDGET**  
**SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Expenditures**

**County Treasurer's Fees**

County Treasurer's collection fees have been computed at 1.5% of property taxes.

**Intergovernmental Expenditures**

Intergovernmental expenditures represent transfers to Old Ranch to provide funding for the overall administrative, operating, and capital costs for the Districts.

**Debt Service**

Principal and interest payments are provided based on the attached debt amortization schedule.

**Debt and Leases**

On December 3, 2010, the District issued \$2,250,000 in Series 2010 Limited Tax General Obligation Bonds. The Series 2010 Bonds mature on December 1, 2040, and bear an interest rate of 4.750% through December 1, 2011, and 7.500% until December 1, 2040. 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.

On April 13, 2018, the District issued \$7,800,000 in Series 2018 Limited Tax General Obligation Bonds. The proceeds were used to pay for bond issuance costs and to pay for Project Costs.

The Series 2018 bonds bear interest at a rate of 6.000%, payable annually on December 1, beginning on December 1, 2018. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2018. The Series 2018 Bonds mature on December 1, 2047. The Series 2018 Bonds are subject to optional redemption prior to maturity, at the option of the District, as a whole or in integral multiples of \$1,000, without premium, on December 1, 2027, and on any date thereafter, upon payment of the redemption price plus accrued interest to the redemption date.

On December 17, 2019, the District issued \$2,300,000 in Series 2019 Limited Tax General Obligation Bonds. The proceeds were used to pay for bond issuance costs and to pay for Project Costs.

The Series 2019 bonds bear interest at a rate of 6.000%, payable annually on December 1, beginning on December 1, 2020. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2020. The Series 2019 Bonds mature on November 12, 2049.

The District's current debt service schedule is attached. The District has no capital or operating leases.

**UPPER COTTONWOOD CREEK METROPOLITAN DISTRICT NO 2  
2024 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Reserves**

**Emergency Reserves**

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3.000% of fiscal year spending. Since substantially all funds received by the District subject to TABOR 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. 2  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

<b>\$2,250,000 General Obligation Bonds Series 2010, Dated December 3, 2010 Interest Rate 4.75% thru December 1, 2011 then 7.5%</b>			
<b>Year Ended December 31,</b>	<b>Principal and Interest Due December 1</b>		
	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2024	\$ 55,000	\$ 136,500	\$ 191,500
2025	60,000	132,375	192,375
2026	65,000	127,875	192,875
2027	70,000	123,000	193,000
2028	75,000	117,750	192,750
2029	80,000	112,125	192,125
2030	90,000	106,125	196,125
2031	95,000	99,375	194,375
2032	100,000	92,250	192,250
2033	110,000	84,750	194,750
2034	115,000	76,500	191,500
2035	125,000	67,875	192,875
2036	135,000	58,500	193,500
2037	145,000	48,375	193,375
2038	155,000	37,500	192,500
2039	165,000	25,875	190,875
2040	180,000	13,500	193,500
	<b>\$ 1,820,000</b>	<b>\$ 1,460,250</b>	<b>\$ 3,280,250</b>

No assurance provided. See summary of significant assumptions.



**UPPER COTTONWOOD METROPOLITAN DISTRICT NO. 2**  
**SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

**\$7,800,000 Limited Tax General Obligation Bonds**

**Series 2018, Dated April 13, 2018**

**Interest Rate 6%**

<b>Year Ended December 31,</b>	<b>Principal and Interest Due December 1</b>		
	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2024	\$ 110,000	\$ 433,800	\$ 543,800
2025	120,000	427,200	547,200
2026	125,000	420,000	545,000
2027	130,000	412,500	542,500
2028	140,000	404,700	544,700
2029	150,000	396,300	546,300
2030	155,000	387,300	542,300
2031	165,000	378,000	543,000
2032	175,000	368,100	543,100
2033	185,000	357,600	542,600
2034	200,000	346,500	546,500
2035	210,000	334,500	544,500
2036	220,000	321,900	541,900
2037	235,000	308,700	543,700
2038	250,000	294,600	544,600
2039	265,000	279,600	544,600
2040	280,000	263,700	543,700
2041	490,000	246,900	736,900
2042	520,000	217,500	737,500
2043	550,000	186,300	736,300
2044	585,000	153,300	738,300
2045	620,000	118,200	738,200
2046	655,000	81,000	736,000
2047	695,000	41,700	736,700
	<u>\$ 7,230,000</u>	<u>\$ 7,179,900</u>	<u>\$ 14,409,900</u>

No assurance provided. See summary of significant assumptions.

**UPPER COTTONWOOD METROPOLITAN DISTRICT NO. 2**  
**SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

**\$2,300,000 Limited Tax General Obligation Bonds**

**Series 2019, Dated December 17, 2019**

**Interest Rate 6%**

<b>Year Ended December 31,</b>	<b>Principal and Interest Due December 1</b>		
	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2024	\$ 15,000	\$ 135,000	\$ 150,000
2025	15,000	134,100	149,100
2026	15,000	133,200	148,200
2027	15,000	132,300	147,300
2028	15,000	131,400	146,400
2029	15,000	130,500	145,500
2030	15,000	129,600	144,600
2031	20,000	128,700	148,700
2032	20,000	127,500	147,500
2033	20,000	126,300	146,300
2034	20,000	125,100	145,100
2035	25,000	123,900	148,900
2036	25,000	122,400	147,400
2037	25,000	120,900	145,900
2038	30,000	119,400	149,400
2039	30,000	117,600	147,600
2040	30,000	115,800	145,800
2041	35,000	114,000	149,000
2042	35,000	111,900	146,900
2043	40,000	109,800	149,800
2044	40,000	107,400	147,400
2045	40,000	105,000	145,000
2046	45,000	102,600	147,600
2047	45,000	99,900	144,900
2048	785,000	97,200	882,200
2049	835,000	47,456	882,456
	<u>\$ 2,250,000</u>	<u>\$ 3,048,956</u>	<u>\$ 5,298,956</u>

No assurance provided. See summary of significant assumptions.

**UPPER COTTONWOOD METROPOLITAN DISTRICT NO. 2**  
**SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

Year Ended December 31,	Total Debt Service Principal and Interest Due December 1		
	Principal	Interest	Total
2024	\$ 180,000	\$ 705,300	\$ 885,300
2025	195,000	693,675	888,675
2026	205,000	681,075	886,075
2027	215,000	667,800	882,800
2028	230,000	653,850	883,850
2029	245,000	638,925	883,925
2030	260,000	623,025	883,025
2031	280,000	606,075	886,075
2032	295,000	587,850	882,850
2033	315,000	568,650	883,650
2034	335,000	548,100	883,100
2035	360,000	526,275	886,275
2036	380,000	502,800	882,800
2037	405,000	477,975	882,975
2038	435,000	451,500	886,500
2039	460,000	423,075	883,075
2040	490,000	393,000	883,000
2041	525,000	360,900	885,900
2042	555,000	329,400	884,400
2043	590,000	296,100	886,100
2044	625,000	260,700	885,700
2045	660,000	223,200	883,200
2046	700,000	183,600	883,600
2047	740,000	141,600	881,600
2048	785,000	97,200	882,200
2049	835,000	47,456	882,456
	<u>\$ 11,300,000</u>	<u>\$ 11,689,106</u>	<u>\$ 22,989,106</u>

No assurance provided. See summary of significant assumptions.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners<sup>1</sup> of El Paso County, Colorado.

On behalf of the Upper Cottonwood Creek Metropolitan District No. 2,  
(taxing entity)<sup>A</sup>  
the Board of Directors  
(governing body)<sup>B</sup>  
of the Upper Cottonwood Creek Metropolitan District No. 2  
(local government)<sup>C</sup>

Hereby officially certifies the following mills  
to be levied against the taxing entity's GROSS \$ 32,865,510  
assessed valuation of: (GROSS<sup>D</sup> assessed valuation, Line 2 of the Certification of Valuation Form DLG 57<sup>E</sup>)

Note: If the assessor certified a NET assessed valuation  
(AV) different than the GROSS AV due to a Tax  
Increment Financing (TIF) Area<sup>F</sup> the tax levies must be \$ 32,865,510  
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: (NET<sup>G</sup> assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)

Submitted: 12/29/2023 for budget/fiscal year 2024.  
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY <sup>2</sup>	REVENUE <sup>2</sup>
1. General Operating Expenses <sup>H</sup>	13.010 mills	\$427,580
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction <sup>I</sup>	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	13.010 mills	\$ 427,580
3. General Obligation Bonds and Interest <sup>J</sup>	39.030 mills	\$1,282,741
4. Contractual Obligations <sup>K</sup>	mills	\$
5. Capital Expenditures <sup>L</sup>	mills	\$
6. Refunds/Abatements <sup>M</sup>	mills	\$
7. Other <sup>N</sup> (specify):	mills	\$
	mills	\$
TOTAL: [ Sum of General Operating Subtotal and Lines 3 to 7 ]	52.040 mills	\$ 1,710,321

Contact person: Carrie Bartow Phone: (719) 635-0330  
Signed: Title: Accountant for the District

Survey Question: Does the taxing entity have voter approval to adjust the general operating levy to account for changes to assessment rates? ☐ Yes ☐ No

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.

<sup>1</sup> 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.  
<sup>2</sup> 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<sup>J</sup>:**

1.	Purpose of Issue:	Public Infrastructure
	Series:	2010 General Obligation Bonds
	Date of Issue:	December 3, 2010
	Coupon Rate:	4.750% through December 1, 2011 then 7.500%
	Maturity Date:	December 1, 2040
	Levy:	8.443 mills
	Revenue:	\$ 277,483

2.	Purpose of Issue:	Public Infrastructure
	Series:	2018 General Obligation Bonds
	Date of Issue:	April 13, 2018
	Coupon Rate:	6.000%
	Maturity Date:	December 1, 2047
	Levy:	23.974 mills
	Revenue:	\$ 787,918

3.	Purpose of Issue:	Public Infrastructure
	Series:	Series 2019 Limited Tax General Obligation Bonds
	Date of Issue:	December 17, 2019
	Coupon Rate:	6.00%
	Maturity Date:	December 1, 2049
	Levy:	6.613 mills
	Revenue:	\$ 217,340

**CONTRACTS<sup>K</sup>:**

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.

## Proof of Publication

**THE TRANSCRIPT**  
**Colorado Springs, Colorado**

STATE OF COLORADO, } ss.  
 COUNTY OF EL PASO }

I, Fran Zankowski, Publisher, or the undersigned Authorized Agent of the Publisher, do solemnly swear that I am the Publisher, or Authorized Agent of the Publisher 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:

**30, OCTOBER, A.D. 2023.**


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

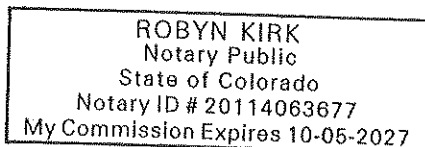
**30, OCTOBER, A.D. 2023.**

In witness whereof, I have hereunto set my hand this 30th day of October, A.D. 2023.

  
 Publisher or Authorized Agent

Subscribed and sworn to before me, a notary public in and for the County of El Paso, State of Colorado, this 30th day of October, A.D. 2023.

  
 Notary Public



**NOTICE OF HEARING  
 ON PROPOSED 2024  
 BUDGET AND 2023  
 BUDGET AMENDMENT**

NOTICE IS HEREBY GIVEN that the proposed budget for the ensuing year of 2024 has been submitted to the Upper Cottonwood Creek Metropolitan District No. 2 ("District"). Such proposed budget will be considered at a meeting and public hearing of the Board of Directors of the District to be held on November 7, 2023 at 1:15 p.m., or as soon thereafter, via telephone and videoconference. To attend and participate by telephone, dial 720-547-5281 and enter Phone Conference ID: 855 774 542#. Information regarding public participation by videoconference will be available at least 24 hours prior to the meeting and public hearing online at [www.olderanchmetrodistrict.org](http://www.olderanchmetrodistrict.org) or by contacting Cindy Jenkins, by email at [cindy.jenkins@ciaconnect.com](mailto:cindy.jenkins@ciaconnect.com) or by telephone at 303-265-7921.

NOTICE IS FURTHER GIVEN that an amendment to the 2023 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 2024 budget and the amended 2023 budget, if required, are available for public inspection at the offices of CliftonLarsonAllen LLP, 121 S. Tejon Street, Suite 1100, Colorado Springs, CO 80903. Any interested elector within the District may, at any time prior to final adoption of the 2024 budget and the amended 2023 budget, if required, file or register any objections thereto.

**UPPER COTTONWOOD  
 CREEK METROPOLITAN  
 DISTRICT NO. 2**

By: /s/ Timothy Seibert  
 President

Publication Date: October 30, 2023  
 Published In The Transcript  
 DT43352

**Certificate Of Completion**

Envelope Id: E3AAD5EB941948B7B13BEEE67EA0F9E2

Status: Completed

Subject: Complete with DocuSign: Upper Cottonwood Creek MD 2 - 2024 Budget and Resolution

Client Name: Old Ranch MD

Client Number: A522123

Source Envelope:

Document Pages: 9

Signatures: 2

Envelope Originator:

Certificate Pages: 5

Initials: 0

Cindy Jenkins

AutoNav: Enabled

220 S 6th St Ste 300

Envelopeld Stamping: Enabled

Minneapolis, MN 55402-1418

Time Zone: (UTC-06:00) Central Time (US &amp; Canada)

Cindy.Jenkins@claconnect.com

IP Address: 73.229.160.48

**Record Tracking**

Status: Original

1/24/2024 3:41:48 PM

Holder: Cindy Jenkins

Cindy.Jenkins@claconnect.com

Location: DocuSign

**Signer Events**

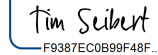
Tim Seibert

tseibert@norwood.dev

President

Security Level: Email, Account Authentication  
(None)**Signature**

DocuSigned by:

  
F9387EC0B99F48F...

Signature Adoption: Pre-selected Style

Using IP Address: 38.75.248.16

**Timestamp**

Sent: 1/24/2024 3:51:43 PM

Viewed: 1/26/2024 9:11:24 AM

Signed: 1/26/2024 9:11:31 AM

**Electronic Record and Signature Disclosure:**

Accepted: 1/26/2024 9:11:24 AM

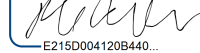
ID: 102f5ad6-232c-4cdf-93f2-d4c693659b01

MICHAEL HUDDLESTON

mhuddleswvu@gmail.com

Security Level: Email, Account Authentication  
(None)

DocuSigned by:

  
E215D004120B440...

Signature Adoption: Drawn on Device

Using IP Address: 98.43.22.126

Signed using mobile

Sent: 1/26/2024 9:11:32 AM

Viewed: 1/29/2024 8:17:09 AM

Signed: 1/29/2024 8:19:04 AM

**Electronic Record and Signature Disclosure:**

Accepted: 1/29/2024 8:17:09 AM

ID: 762b5648-c07b-4863-bfeb-b7c8851c630d

**In Person Signer Events****Signature****Timestamp****Editor Delivery Events****Status****Timestamp****Agent Delivery Events****Status****Timestamp****Intermediary Delivery Events****Status****Timestamp****Certified Delivery Events****Status****Timestamp****Carbon Copy Events****Status****Timestamp****Witness Events****Signature****Timestamp****Notary Events****Signature****Timestamp****Envelope Summary Events****Status****Timestamps**

Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	1/24/2024 3:51:43 PM
Certified Delivered	Security Checked	1/29/2024 8:17:09 AM
Signing Complete	Security Checked	1/29/2024 8:19:04 AM
Completed	Security Checked	1/29/2024 8:19:04 AM

Payment Events	Status	Timestamps
----------------	--------	------------

Electronic Record and Signature Disclosure



## **ELECTRONIC RECORD AND SIGNATURE DISCLOSURE**

From time to time, CliftonLarsonAllen LLP (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through the DocuSign system. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to this Electronic Record and Signature Disclosure (ERSD), please confirm your agreement by selecting the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

### **Getting paper copies**

At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. You will have the ability to download and print documents we send to you through the DocuSign system during and immediately after the signing session and, if you elect to create a DocuSign account, you may access the documents for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a \$0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

### **Withdrawing your consent**

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

### **Consequences of changing your mind**

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. Further, you will no longer be able to use the DocuSign system to receive required notices and consents electronically from us or to sign electronically documents from us.

### **All notices and disclosures will be sent to you electronically**

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through the DocuSign system all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

#### **How to contact CliftonLarsonAllen LLP:**

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

To contact us by email send messages to: [BusinessTechnology@CLAconnect.com](mailto:BusinessTechnology@CLAconnect.com)

#### **To advise CliftonLarsonAllen LLP of your new email address**

To let us know of a change in your email address where we should send notices and disclosures electronically to you, you must send an email message to us at [BusinessTechnology@CLAconnect.com](mailto:BusinessTechnology@CLAconnect.com) and in the body of such request you must state: your previous email address, your new email address. We do not require any other information from you to change your email address.

If you created a DocuSign account, you may update it with your new email address through your account preferences.

#### **To request paper copies from CliftonLarsonAllen LLP**

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an email to [BusinessTechnology@CLAconnect.com](mailto:BusinessTechnology@CLAconnect.com) and in the body of such request you must state your email address, full name, mailing address, and telephone number. We will bill you for any fees at that time, if any.

#### **To withdraw your consent with CliftonLarsonAllen LLP**

To inform us that you no longer wish to receive future notices and disclosures in electronic format you may:

i. decline to sign a document from within your signing session, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;

ii. send us an email to [BusinessTechnology@CLAconnect.com](mailto:BusinessTechnology@CLAconnect.com) and in the body of such request you must state your email, full name, mailing address, and telephone number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

### **Required hardware and software**

The minimum system requirements for using the DocuSign system may change over time. The current system requirements are found here: <https://support.docusign.com/guides/signer-guide-signing-system-requirements>.

### **Acknowledging your access and consent to receive and sign documents electronically**

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please confirm that you have read this ERSD, and (i) that you are able to print on paper or electronically save this ERSD for your future reference and access; or (ii) that you are able to email this ERSD to an email address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format as described herein, then select the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

By selecting the check-box next to 'I agree to use electronic records and signatures', you confirm that:

- You can access and read this Electronic Record and Signature Disclosure; and
- You can print on paper this Electronic Record and Signature Disclosure, or save or send this Electronic Record and Disclosure to a location where you can print it, for future reference and access; and
- Until or unless you notify CliftonLarsonAllen LLP as described above, you consent to receive exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you by CliftonLarsonAllen LLP during the course of your relationship with CliftonLarsonAllen LLP.