

LETTER OF BUDGET TRANSMITTAL

Date: January 23, 2024

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

Attached are the 2024 budget and budget message for BRADLEY RANCH METROPOLITAN DISTRICT in El Paso County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on January 19, 2024. If there are any questions on the budget, please contact:

Seef LeRoux
CliftonLarsonAllen LLP
121 South Tejon Street, Ste. 1100
Colorado Springs, CO 80903
Tel.: 719-635-0330

I, Chris Nickell, as Secretary of the Bradley Ranch Metropolitan District, hereby certify that the attached is a true and correct copy of the 2024 budget.

By: Christopher Nickell

**RESOLUTION
TO ADOPT 2024 BUDGET, APPROPRIATE SUMS OF MONEY,
AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY
BRADLEY RANCH METROPOLITAN DISTRICT**

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2024 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 BRADLEY RANCH METROPOLITAN DISTRICT, 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 Bradley 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 January 8, 2024 and continued to January 19, 2024 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 \$171,646; 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 \$451,183; 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/abatement is \$0; and

WHEREAS, the 2023 valuation for assessment for the District as certified by the County Assessor of El Paso County is \$13,139,860; and

WHEREAS, at an election held on November 5, 2013, 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 BRADLEY 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 Bradley Ranch Metropolitan District 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 13.063 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 34.337 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.

ADOPTED this 19th day of January, 2024.

BRADLEY RANCH METROPOLITAN DISTRICT

Sean Helzer

President

ATTEST:

Christopher Nickell

Secretary

Bradley Ranch Metropolitan District			
Colorado Springs, El Paso County, Colorado			
General Fund Budget			
Year Ended 12/31/2024			
Modified Accrual Basis	2022	2023	2024
			Proposed
	Actual	Estimate	Budget
BEGINNING FUND BALANCE	\$ 38,625	\$ 91,466	\$ 159,265
REVENUES			
Homeowner fees	62,947	71,778	-
Setup Fees	7,710	4,600	3,700
Status Letter Fees	5,279	2,350	1,900
Design Review Fees	2,300	-	-
Property Taxes	75,727	137,123	171,646
Interest on Delinquent Taxes	18	52	-
Homeowner Fines	750	853	-
Specific ownership Tax	7,874	14,500	17,851
Contingency for landscape damage reimbursement	-	-	15,000
Total Revenues	162,605	231,256	210,097
EXPENDITURES			
General Management			
Accounting	4,229	7,000	20,000
Legal	8,890	17,000	10,000
District Management	16,968	26,500	29,000
Insurance	2,032	2,571	2,750
Dues	503	414	500
Setup Fee	7,560	4,600	3,700
Status Letter Fee	5,179	2,350	1,900
Design Review Fee	1,500	-	-
El Paso County property tax collection fee - 1.5%	1,136	2,057	2,575
Total General Management	47,997	62,492	70,425
Maintenance			
Landscape maintenance	23,950	23,700	51,050
Landscape Repairs	13,712	21,386	22,500
Landscape Improvements	-	33,879	42,750
Landscape water	23,413	15,000	15,000
Snow Removal	692	7,000	10,000
Contingency for landscape damage	-	-	15,000
Total Maintenance	61,767	100,965	156,300
Total Expenses	109,764	163,457	226,725
Excess of Revenues over Expenditures	52,841	67,799	(16,628)
ENDING FUND BALANCE	\$ 91,466	\$ 159,265	\$ 142,637
Emergency Reserve - 3% of Revenues	4,878	23,126	21,010
Unrestricted Fund Balance	86,588	136,139	121,627

Bradley Ranch Metropolitan District			
Colorado Springs, El Paso County, Colorado			
Debt Service Fund Budget			
Year Ended 12/31/2024			
Modified Accrual Basis			
	2022	2023	2024
			Proposed
	Actuals	Estimated	Budget
BEGINNING FUND BALANCE	\$ 2,060	\$ 3,894	\$ 10,050
REVENUES			
Property Taxes	227,180	411,374	451,183
Interest on delinquent taxes	55	155	50
Specific Ownership Tax	23,622	43,800	46,923
Interest Income	-	4,000	10,000
Total Revenues	250,857	459,329	508,156
EXPENDITURES			
Interest Expense - Bond	245,615	447,000	446,721
Prior Accrued Interest payment	-	-	54,667
El Paso County Tax collection Fee	3,408	6,173	6,768
Total Expenditures	249,023	453,173	508,156
Excess of Revenues over Expenditures	1,834	6,156	-
Net Change in Fund Balance	1,834	6,156	-
ENDING FUND BALANCE	\$ 3,894	\$ 10,050	\$ 10,050

Bradley Ranch Metropolitan District			
Colorado Springs, El Paso County, Colorado			
Capital Fund Budget			
Year Ended 12/31/2024			
Modified Accrual Basis			
	2022	2023	2024
			Proposed
	Actual	Estimated	Budget
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
REVENUES			
Total Revenues	-	-	-
EXPENDITURES			
Total Capital Expenditures	-	-	-
Excess of Revenues over Expenditures	-	-	-
ENDING FUND BALANCE	\$ -	\$ -	\$ -

Bradley Ranch Metropolitan District			
Colorado Springs, El Paso County, Colorado			
Property Taxes			
2023 Valuations for 2024 Taxes		226	
		Total	
Vacant Residential Land - Market Value	263,500		
AV Percentage	28%		
Assessed Value	\$ 73,520		
Residential Land & Improvements - Market Value	194,877,555		
AV Percentage	6.70%		
Assessed Value	\$ 13,056,670		
Commercial	\$ -		
AV Percentage	29.00%		
Assessed Value	\$ -		
Agricultural Market Value	\$ -		
AV Percentage	29.00%		
Assessed Value	\$ -		
State Assessed	\$ 34,660		
AV Percentage	27.90%		
Assessed Value	\$ 9,670		
Total Assessed Value Final	13,139,860		
Property Tax			
Operations & Maintenance	\$ 171,646		
Debt Service	\$ 451,183		
Total	\$ 622,829		
Mill Levy Charged			
Operations & Maintenance	13.063		
Debt Service / Contractual obligations	34.337		
Total	47.400		
(Verify the following with the Bradley Ranch Service Plan)			
According to Sec. VI. E. of the Service Plan, the Maximum Debt Mill Levy is 30 Mills, adjusted for AV			
mill levy is 10 Mills			
According to Sec. VI. F. The Debt Mill Levy cannot exceed 40 years after the year of the initial imposition			
of the Debt Mill Levy.			
According to Sec. VI.J. of the Service Plan, the Maximum Operations & Maintenance mill levy is 10 Mills			

**BRADLEY RANCH METROPOLITAN DISTRICT
2024 BUDGET MESSAGE
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Bradley Ranch Metropolitan District (the "District") is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act, and was formed in November 2006. The District is generally located South of Old Ranch Road and Southeast of Milam Road entirely within the City of Colorado Springs, El Paso County, State of Colorado and contains approximately 120 acres, more or less. The District was organized to provide financing for the design, acquisition, construction and installation of public improvements, facilities and services. The public improvements to be provided by the District are proposed to include the types of facilities and improvements for streets and roadways, street landscaping, signage, monuments, and lighting, safety protection, park and recreation, sanitation and storm drainage, water improvements and other related improvements and their operation and maintenance.

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

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

GENERAL FUND

REVENUES

1. Property Taxes are based on the assessed value of property within the District as established by El Paso County. Mill levies are budgeted for Operations and Maintenance at 13.063 mills.
2. Specific ownership taxes are budgeted at 10.4% of property taxes collected. These taxes are set by the state and collected by the county treasurer primarily on vehicle licensing within the county as a whole. They are allocated by the county treasurer to all taxing entities within the county.

EXPENDITURES

1. Accounting fees include the monthly accounting for the District and the costs of the accounting firm to prepare periodic and annual financial statements, and to record mill levy certifications and budgets with regulatory authorities.
2. Legal fees are estimated based on the annual requirements of the District.
3. District Management costs are based on the contract with the Management Company.
4. Insurance is the estimated charges from the Colorado Special Districts Property and Liability Insurance Pool.
5. Dues & subscriptions are the estimated SDA dues and office expenses.
6. A contingency expense is budgeted at \$15,000 for unexpected expenses.
7. County property tax collection fee is based on 1.5% of the property tax received.
8. Landscape maintenance and water are budgeted based on the needs of the District.

**BRADLEY RANCH METROPOLITAN DISTRICT
2024 BUDGET MESSAGE
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

DEBT SERVICE FUND

REVENUES

1. Property Taxes are based on the assessed value of property within the District as established by El Paso County. Mill levies are budgeted for Debt Service at 34.337 mills.
2. Specific ownership taxes are budgeted at 10.4% of property taxes collected. These taxes are set by the state and collected by the county treasurer primarily on vehicle licensing within the county as a whole. They are allocated by the county treasurer to all taxing entities within the county.

EXPENDITURES

1. Interest on the District Bonds issued is budgeted at \$501,388.
2. County property tax collection fee is based on 1.5% of the property tax received, excluding specific ownership tax.

CAPITAL FUND

1. No Capital Fund activity budgeted for 2024.

RESERVES

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

ADDITIONAL INFORMATION

1. The basis of accounting for the District is the Modified Accrual Basis.
2. There are no operating or capital lease obligations of the District.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of El Paso County, Colorado.

On behalf of the Bradley Ranch Metropolitan District,

the Board of Directors (taxing entity)^A

of the Bradley Ranch Metropolitan District (governing body)^B

(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS assessed valuation of: \$ 13,139,860
(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: \$ 13,139,860
(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: 01/01/2024 for budget/fiscal year 2024.
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE <small>(see end notes for definitions and examples)</small>	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	<u>13.063</u> mills	\$ <u>171,646</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	13.063 mills	\$ 171,646
3. General Obligation Bonds and Interest ^J	<u>34.337</u> mills	\$ <u>451,183</u>
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
_____	_____ mills	\$ _____
TOTAL: <small>[Sum of General Operating Subtotal and Lines 3 to 7]</small>	47.400 mills	\$ 622,829

Contact person: Seef Le Roux Phone: (719)635-0330
Signed: *Seef Le Roux* Title: Accountant for 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.

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 Improvements |
| | Series: | Series 2020 General Obligation Bonds |
| | Date of Issue: | September 24, 2020 |
| | Coupon Rate: | 5.20% |
| | Maturity Date: | December 1, 2056 |
| | Levy: | 34.337 |
| | Revenue: | \$ 451,183 |
| | | |
| 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.