

ANNUAL INFORMATION REPORT

FOR THE YEAR 2021

CHAPEL HEIGHTS METROPOLITAN DISTRICT

Pursuant to Section VII of the Service Plans approved by the City of Colorado Springs, Colorado on July 2, 2019.

- 1. Boundary changes made or proposed to the District's boundary as of December 31 of the prior year.** There were no boundary changes made or proposed during 2021.
- 2. Intergovernmental agreements with other governmental entities, either entered into or proposed as of December 31 of the prior year.** None.
- 3. Copies of the District's rules and regulations, if any, as of December 31 of the prior year.** The District has not adopted any rules and regulations.
- 4. A summary of any litigation which involves the any District's Public Improvements as of December 31 of the prior year.** None.
- 5. Status of the District's construction of the Public Improvements as of December 31 of the prior year.** No improvements were constructed in 2021.
- 6. A list of all facilities and improvements constructed by the District that have been dedicated to and accepted by the City as of December 31 of the prior year.** There have been no facilities or improvements dedicated to and accepted by the City as of December 31, 2021.
- 7. The assessed valuation of the District for the current year.** Attached hereto as Exhibit A.
- 8. Current year budget including a description of the Public Improvements to be constructed in such year.** The 2022 Budget is attached hereto as Exhibit B.
- 9. Audit of the District financial statements for the year ending December 31 of the previous year prepared in accordance with generally accepted accounting principles or audit exemption, if applicable.** Attached hereto as Exhibit C is a copy of the 2021 Audit Exemption Application.
- 10. Notice of any uncured events of noncompliance by the District under any Debt instrument, which continue beyond a 90-day period.** The District was not in default of any Debt instrument during 2021.
- 11. Any inability of the District to pay their obligations as they come due, in accordance with the terms of such obligations, which continue beyond a 90-day period.** The District did not have an inability to pay its obligations as they came due during 2021.
- 12. Copies of any Certifications of an External Financial Advisor provided as required by the Privately Placed Debt Limitation provision.** Not applicable.

EXHIBIT A

APPLICATION FOR EXEMPTION FROM AUDIT

SHORT FORM

**NAME OF GOVERNMENT
ADDRESS**

Chapel Heights Metropolitan District
111 S Tejon Street
Suite 705
Colorado Springs, CO 80903
Carrie Bartow
719-635-0330
Carrie.bartow@claconnect.com
719-473-3630

**For the Year Ended
12/31/20
or fiscal year ended:**

**CONTACT PERSON
PHONE
EMAIL
FAX**

PART 1 - CERTIFICATION OF PREPARER

I certify that I am skilled in governmental accounting and that the information in the application is complete and accurate, to the best of my knowledge.

**NAME:
TITLE
FIRM NAME (if applicable)
ADDRESS
PHONE
DATE PREPARED**

Carrie Bartow
Accountant for the District
CliftonLarsonAllen LLP
111 S Tejon Street, Suite 705, Colorado Springs, CO 80903
719-635-0330
3/12/2021

PREPARER (SIGNATURE REQUIRED)

SEE ATTACHED ACCOUNTANT'S COMPILATION REPORT

Please indicate whether the following financial information is recorded using Governmental or Proprietary fund types	GOVERNMENTAL <small>(MODIFIED ACCRUAL BASIS)</small>	PROPRIETARY <small>(CASH OR BUDGETARY BASIS)</small>
	<input checked="" type="checkbox"/>	<input type="checkbox"/>

PART 2 - REVENUE

REVENUE: All revenues for all funds must be reflected in this section, including proceeds from the sale of the government's land, building, and equipment, and proceeds from debt or lease transactions. Financial information will not include fund equity information.

Line#	Description	Round to nearest Dollar	Please use this space to provide any necessary explanations
2-1	Taxes: Property (report mills levied in Question 10-6)	\$ -	
2-2	Specific ownership	\$ -	
2-3	Sales and use	\$ -	
2-4	Other (specify):	\$ -	
2-5	Licenses and permits	\$ -	
2-6	Intergovernmental: Grants	\$ -	
2-7	Conservation Trust Funds (Lottery)	\$ -	
2-8	Highway Users Tax Funds (HUTF)	\$ -	
2-9	Other (specify):	\$ -	
2-10	Charges for services	\$ -	
2-11	Fines and forfeits	\$ -	
2-12	Special assessments	\$ -	
2-13	Investment income	\$ -	
2-14	Charges for utility services	\$ -	
2-15	Debt proceeds (should agree with line 4-4, column 2)	\$ -	
2-16	Lease proceeds	\$ -	
2-17	Developer Advances received (should agree with line 4-4)	\$ -	
2-18	Proceeds from sale of capital assets	\$ -	
2-19	Fire and police pension	\$ -	
2-20	Donations	\$ -	
2-21	Other (specify):	\$ -	
2-22		\$ -	
2-23		\$ -	
2-24	(add lines 2-1 through 2-23) TOTAL REVENUE	\$ -	

PART 3 - EXPENDITURES/EXPENSES

EXPENDITURES: All expenditures for all funds must be reflected in this section, including the purchase of capital assets and principal and interest payments on long-term debt. Financial information will not include fund equity information.

Line#	Description	Round to nearest Dollar	Please use this space to provide any necessary explanations
3-1	Administrative	\$ -	
3-2	Salaries	\$ -	
3-3	Payroll taxes	\$ -	
3-4	Contract services	\$ -	
3-5	Employee benefits	\$ -	
3-6	Insurance	\$ -	
3-7	Accounting and legal fees	\$ 3,010	
3-8	Repair and maintenance	\$ -	
3-9	Supplies	\$ -	
3-10	Utilities and telephone	\$ -	
3-11	Fire/Police	\$ -	
3-12	Streets and highways	\$ -	
3-13	Public health	\$ -	
3-14	Capital outlay	\$ -	
3-15	Utility operations	\$ -	
3-16	Culture and recreation	\$ -	
3-17	Debt service principal (should agree with Part 4)	\$ -	
3-18	Debt service interest	\$ -	
3-19	Repayment of Developer Advance Principal (should agree with line 4-4)	\$ -	
3-20	Repayment of Developer Advance Interest	\$ -	
3-21	Contribution to pension plan (should agree to line 7-2)	\$ -	
3-22	Contribution to Fire & Police Pension Assoc. (should agree to line 7-2)	\$ -	
3-23	Other (specify):	\$ -	
3-24		\$ -	
3-25		\$ -	
3-26	(add lines 3-1 through 3-24) TOTAL EXPENDITURES/EXPENSES	\$ 3,010	

If TOTAL REVENUE (Line 2-24) or TOTAL EXPENDITURES (Line 3-26) are GREATER than \$100,000 - **STOP**. You may not use this form. Please use the "Application for Exemption from Audit - LONG FORM".

PART 4 - DEBT OUTSTANDING, ISSUED, AND RETIRED

Please answer the following questions by marking the appropriate boxes.

	Yes	No		
4-1 Does the entity have outstanding debt? If Yes, please attach a copy of the entity's Debt Repayment Schedule.	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
4-2 Is the debt repayment schedule attached? If no, MUST explain: <div style="border: 1px solid black; height: 20px; width: 100%; margin-top: 5px;">N/A</div>	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
4-3 Is the entity current in its debt service payments? If no, MUST explain: <div style="border: 1px solid black; height: 20px; width: 100%; margin-top: 5px;">N/A</div>	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
4-4 Please complete the following debt schedule, if applicable: (please only include principal amounts)(enter all amount as positive numbers)				
	Outstanding at end of prior year*	Issued during year	Retired during year	Outstanding at year-end
General obligation bonds	\$ -	\$ -	\$ -	\$ -
Revenue bonds	\$ -	\$ -	\$ -	\$ -
Notes/Loans	\$ -	\$ -	\$ -	\$ -
Leases	\$ -	\$ -	\$ -	\$ -
Developer Advances	\$ -	\$ -	\$ -	\$ -
Other (specify):	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -

*must tie to prior year ending balance

Please answer the following questions by marking the appropriate boxes.

	Yes	No
4-5 Does the entity have any authorized, but unissued, debt? If yes: How much?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Date the debt was authorized:	<div style="border: 1px solid black; padding: 2px;">300,000,000.00</div> <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">5/5/2020</div>	
4-6 Does the entity intend to issue debt within the next calendar year? If yes: How much?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4-7 Does the entity have debt that has been refinanced that it is still responsible for? If yes: What is the amount outstanding?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4-8 Does the entity have any lease agreements? If yes: What is being leased?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
What is the original date of the lease?	<div style="border: 1px solid black; height: 20px; width: 100%;"></div>	
Number of years of lease?	<div style="border: 1px solid black; height: 20px; width: 100%;"></div>	
Is the lease subject to annual appropriation?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
What are the annual lease payments?	<div style="border: 1px solid black; padding: 2px;">\$ -</div>	

Please use this space to provide any explanations or comments:

PART 5 - CASH AND INVESTMENTS

Please provide the entity's cash deposit and investment balances.

	Amount	Total
5-1 YEAR-END Total of ALL Checking and Savings Accounts	\$ -	
5-2 Certificates of deposit	\$ -	
Total Cash Deposits		
Investments (if investment is a mutual fund, please list underlying investments):		\$ -
	\$ -	
	\$ -	
5-3	\$ -	
	\$ -	
Total Investments		
		\$ -
Total Cash and Investments		
		\$ -

Please answer the following questions by marking in the appropriate boxes

	Yes	No	N/A
5-4 Are the entity's Investments legal in accordance with Section 24-75-601, et. seq., C.R.S.?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5-5 Are the entity's deposits in an eligible (Public Deposit Protection Act) public depository (Section 11-10.5-101, et seq. C.R.S.)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

If no, MUST use this space to provide any explanations:

PART 6 - CAPITAL ASSETS

Please answer the following questions by marking in the appropriate boxes.

Yes No

- 6-1 Does the entity have capital assets? Yes No
- 6-2 Has the entity performed an annual inventory of capital assets in accordance with Section 29-1-506, C.R.S.,? If no, MUST explain: Yes No

The district has no capital assets

Complete the following capital assets table:	Balance - beginning of the year*	Additions (Must be included in Part 3)	Deletions	Year-End Balance
Land	\$ -	\$ -	\$ -	\$ -
Buildings	\$ -	\$ -	\$ -	\$ -
Machinery and equipment	\$ -	\$ -	\$ -	\$ -
Furniture and fixtures	\$ -	\$ -	\$ -	\$ -
Infrastructure	\$ -	\$ -	\$ -	\$ -
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
Other (explain):	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -

Please use this space to provide any explanations or comments:

PART 7 - PENSION INFORMATION

Please answer the following questions by marking in the appropriate boxes.

Yes No

- 7-1 Does the entity have an "old hire" firemen's pension plan? Yes No
- 7-2 Does the entity have a volunteer firemen's pension plan? Yes No

If yes: Who administers the plan?

Indicate the contributions from:

Tax (property, SO, sales, etc.):	\$ -
State contribution amount:	\$ -
Other (gifts, donations, etc.):	\$ -
TOTAL	\$ -

What is the monthly benefit paid for 20 years of service per retiree as of Jan \$ -

Please use this space to provide any explanations or comments:

PART 8 - BUDGET INFORMATION

Please answer the following questions by marking in the appropriate boxes.

Yes No N/A

- 8-1 Did the entity file a budget with the Department of Local Affairs for the current year in accordance with Section 29-1-113 C.R.S.? Yes No N/A

- 8-2 Did the entity pass an appropriations resolution, in accordance with Section 29-1-108 C.R.S.? If no, MUST explain: Yes No N/A

If yes: Please indicate the amount budgeted for each fund for the year reported:

Fund Name	Budgeted Expenditures/Expenses
General Fund	\$ 48,500

PART 9 - TAXPAYER'S BILL OF RIGHTS (TABOR)

Please answer the following question by marking in the appropriate box

Yes

No

9-1 Is the entity in compliance with all the provisions of TABOR [State Constitution, Article X, Section 20(5)]?

Note: An election to exempt the government from the spending limitations of TABOR does not exempt the government from the 3 percent emergency reserve requirement. All governments should determine if they meet this requirement of TABOR.

If no, MUST explain:

PART 10 - GENERAL INFORMATION

Please answer the following questions by marking in the appropriate boxes.

Yes

No

10-1 Is this application for a newly formed governmental entity?

10-1

If yes: **Date of formation:**

10-2 Has the entity changed its name in the past or current year?

If yes: **Please list the NEW name & PRIOR name:**

10-3 Is the entity a metropolitan district?

Please indicate what services the entity provides:

10-4 Does the entity have an agreement with another government to provide services?

If yes: **List the name of the other governmental entity and the services provided:**

10-5 Has the district filed a *Title 32, Article 1 Special District Notice of Inactive Status* during

If yes: **Date Filed:**

10-6 Does the entity have a certified Mill Levy?

If yes:

Please provide the following mills levied for the year reported (do not report \$ amounts):

Bond Redemption mills	-
General/Other mills	-
Total mills	-

Please use this space to provide any explanations or comments:

10-3: Public improvements for water, sanitation, streets, traffic and safety, parks and recreation, transportation, television relay, mosquito control, security, fire protection, and operation and maintenance.

PART 11 - GOVERNING BODY APPROVAL

Please answer the following question by marking in the appropriate box		YES	NO
12-1	If you plan to submit this form electronically, have you read the new Electronic Signature Policy?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Office of the State Auditor — Local Government Division - Exemption Form Electronic Signatures Policy and Procedure





Policy - Requirements

The Office of the State Auditor Local Government Audit Division may accept an electronic submission of an application for exemption from audit that includes governing board signatures obtained through a program such as DocuSign or Echosign. Required elements and safeguards are as follows:

- The preparer of the application is responsible for obtaining board signatures that comply with the requirement in Section 29-1-604 (3), C.R.S., that states the application shall be personally reviewed, approved, and signed by a majority of the members of the governing body.
- The application must be accompanied by the signature history document created by the electronic signature software. The signature history document must show when the document was created and when the document was emailed to the various parties, and include the dates the individual board members signed the document. The signature history must also show the individuals' email addresses and IP address.
- Office of the State Auditor staff will not coordinate obtaining signatures.

The application for exemption from audit form created by our office includes a section for governing body approval. Local governing boards note their approval and submit the application through one of the following three methods:

- 1) Submit the application in hard copy via the US Mail including original signatures.
- 2) Submit the application electronically via email and either,
 - a. Include a copy of an adopted resolution that documents formal approval by the Board, **or**
 - b. Include electronic signatures obtained through a software program such as DocuSign or Echosign in accordance with the requirements noted above.

Print the names of ALL members of current governing body below. Print Board Member's Name		A <u>MAJORITY</u> of the members of the governing body must complete and sign in the column below.
Board Member 1	Lee Eisenheim	I, Lee Eisenheim, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: May 2023
Board Member 2	Rich Vorwaller	I, Rich Vorwaller, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: 3/29/2021  My term Expires: May 2023
Board Member 3	James Byers	I, James Byers, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: 3/30/2021  My term Expires: May 2022
Board Member 4	Patrick Jarret	I, Patrick Jarret, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: 3/29/2021  My term Expires: May 2022
Board Member 5	Nicole Renner	I, Nicole Renner, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: 3/29/2021  My term Expires: May 2022
Board Member 6		I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 7		I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____



CliftonLarsonAllen

CliftonLarsonAllen LLP
www.CLACConnect.com

Accountant's Compilation Report

Board of Directors
Chapel Heights Metropolitan District
El Paso County, Colorado

Management is responsible for the accompanying Application for Exemption from Audit of Chapel Heights Metropolitan District as of and for the year ended December 31, 2020, included in the accompanying prescribed form. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the financial statements included in the accompanying prescribed form nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the financial statements included in the accompanying prescribed form.

The Application for Exemption from Audit is presented in accordance with the requirements of the Colorado Office of the State Auditor, which differ from accounting principles generally accepted in the United States of America.

This report is intended solely for the information and use of the Colorado Office of the State Auditor and is not intended to be and should not be used by anyone other than this specified party.

We are not independent with respect to Chapel Heights Metropolitan District.

CliftonLarsonAllen LLP

Colorado Springs, Colorado
March 12, 2021

Certificate Of Completion

Envelope Id: F78435350F5E4E6FA86ACA6A73911BA1

Status: Completed

Subject: Please DocuSign: CHMD 2020 Audit Exemption.pdf

Client Name: Chapel Heights Metropolitan District

Client Number: 011-046267-00

Source Envelope:

Document Pages: 8

Signatures: 4

Envelope Originator:

Certificate Pages: 5

Initials: 0

Ladiella Henderson

AutoNav: Enabled

220 South 6th Street

Envelopeld Stamping: Enabled

Suite 300

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

Minneapolis, MN 55402

Ladiella.Henderson@claconnect.com

IP Address: 174.16.138.238

Record Tracking

Status: Original

Holder: Ladiella Henderson

Location: DocuSign

3/29/2021 12:00:54 PM

Ladiella.Henderson@claconnect.com

Signer Events

James Byers

Jim@ChallengerHomes.com

Security Level: Email, Account Authentication (None)

Signature

DocuSigned by:

E3393469EE0844A...

Signature Adoption: Pre-selected Style

Using IP Address: 65.152.162.100

Timestamp

Sent: 3/29/2021 12:08:21 PM

Viewed: 3/30/2021 9:02:46 AM

Signed: 3/30/2021 9:03:36 AM

Electronic Record and Signature Disclosure:

Accepted: 3/30/2021 9:02:46 AM

ID: de6b2120-f80b-4d92-8286-7c92a5f4355c

Nicole Renner

NRenner@GoodwinKnight.com

Security Level: Email, Account Authentication (None)

DocuSigned by:

78D36E548C784DD...

Signature Adoption: Pre-selected Style

Using IP Address: 65.152.162.100

Sent: 3/29/2021 12:08:22 PM

Viewed: 3/29/2021 6:17:43 PM

Signed: 3/29/2021 6:18:02 PM

Electronic Record and Signature Disclosure:

Accepted: 3/29/2021 6:17:43 PM

ID: 4ef005b2-d3e0-40ce-b11e-ec7f9803b9d8

Patrick Jarret

Pat@ChallengerHomes.com

Security Level: Email, Account Authentication (None)

DocuSigned by:

C68B540075EC49D...

Signature Adoption: Pre-selected Style

Using IP Address: 65.152.162.100

Sent: 3/29/2021 12:08:22 PM

Viewed: 3/29/2021 12:12:13 PM

Signed: 3/29/2021 12:12:22 PM

Electronic Record and Signature Disclosure:

Accepted: 3/29/2021 12:12:13 PM

ID: 25562cdd-7a2c-4edd-a441-5f5b250f92d9

Rich Vorwaller

Rich@ChallengerHomes.com

Vice President, Sales & Marketing

Security Level: Email, Account Authentication (None)

DocuSigned by:

10E76AAF01FB4DE...

Signature Adoption: Pre-selected Style

Using IP Address: 65.152.162.100

Sent: 3/29/2021 12:08:21 PM

Viewed: 3/29/2021 12:08:45 PM

Signed: 3/29/2021 12:09:00 PM

EXHIBIT B

CHAPEL HEIGHTS METROPOLITAN DISTRICT
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2022

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

1/25/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCES	\$ -	\$ (3,010)	\$ 102,682
REVENUES			
Property taxes	-	66,226	46,084
Specific ownership tax	-	6,659	4,608
Developer advance	-	40,000	295,000
Working capital fee	-	49,200	57,600
Operations fee	-	22,500	105,600
Penalties and late fees	-	250	-
Other revenue	-	1	-
Total revenues	<u>-</u>	<u>184,836</u>	<u>508,892</u>
TRANSFERS IN	<u>-</u>	<u>-</u>	<u>210,600</u>
Total funds available	<u>-</u>	<u>181,826</u>	<u>822,174</u>
EXPENDITURES			
General Fund	3,010	59,032	100,730
Special Revenue Fund	-	19,450	266,400
Debt Service Fund	-	662	461
Total expenditures	<u>3,010</u>	<u>79,144</u>	<u>367,591</u>
TRANSFERS OUT	<u>-</u>	<u>-</u>	<u>210,600</u>
Total expenditures and transfers out requiring appropriation	<u>3,010</u>	<u>79,144</u>	<u>578,191</u>
ENDING FUND BALANCES	<u>\$ (3,010)</u>	<u>\$ 102,682</u>	<u>\$ 243,983</u>
EMERGENCY RESERVE	\$ -	\$ 800	\$ 600
TOTAL RESERVE	<u>\$ (3,010)</u>	<u>\$ 2,278</u>	<u>\$ 2,845</u>

No assurance is provided. See summary of significant assumptions.

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

1/25/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
ASSESSED VALUATION			
Residential	\$ -	\$ -	\$ 199,690
Commercial	-	581,110	-
Vacant Land	-	740,850	720,210
	-	1,321,960	919,900
Certified Assessed Value	\$ -	\$ 1,321,960	\$ 919,900
MILL LEVY			
General	0.000	16.699	16.699
Debt Service	0.000	33.398	33.398
Total mill levy	0.000	50.097	50.097
PROPERTY TAXES			
General	\$ -	\$ 22,075	\$ 15,361
Debt Service	-	44,151	30,723
Levied property taxes	-	66,226	46,084
Budgeted property taxes	\$ -	\$ 66,226	\$ 46,084
BUDGETED PROPERTY TAXES			
General	\$ -	\$ 22,075	\$ 15,361
Debt Service	-	44,151	30,723
	\$ -	\$ 66,226	\$ 46,084

No assurance is provided. See summary of significant assumptions.

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

1/25/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ -	\$ (3,010)	\$ 2,278
REVENUES			
Property taxes	-	22,075	15,361
Specific ownership tax	-	2,244	1,536
Developer advance	-	40,000	295,000
Other revenue	-	1	-
Total revenues	<u>-</u>	<u>64,320</u>	<u>311,897</u>
Total funds available	<u>-</u>	<u>61,310</u>	<u>314,175</u>
EXPENDITURES			
General and administrative			
Accounting	3,010	16,500	20,000
Dues and licenses	-	200	500
Insurance and bonds	-	-	15,000
District management	-	32,000	35,000
Legal services	-	10,000	25,000
County Treasurer's fee	-	331	230
Contingency	-	1	5,000
Total expenditures	<u>3,010</u>	<u>59,032</u>	<u>100,730</u>
TRANSFERS OUT			
Transfers to other fund	<u>-</u>	<u>-</u>	<u>210,600</u>
Total expenditures and transfers out requiring appropriation	<u>3,010</u>	<u>59,032</u>	<u>311,330</u>
ENDING FUND BALANCE	<u>\$ (3,010)</u>	<u>\$ 2,278</u>	<u>\$ 2,845</u>
EMERGENCY RESERVE	\$ -	\$ 800	\$ 600
AVAILABLE FOR OPERATIONS	<u>(3,010)</u>	<u>1,478</u>	<u>2,245</u>
TOTAL RESERVE	<u>\$ (3,010)</u>	<u>\$ 2,278</u>	<u>\$ 2,845</u>

No assurance is provided. See summary of significant assumptions.

**CHAPEL HEIGHTS METROPOLITAN DISTRICT
SPECIAL REVENUE FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

1/25/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ -	\$ -	\$ 52,500
REVENUES			
Working capital fee	-	49,200	57,600
Operations fee	-	22,500	105,600
Penalties and late fees	-	250	-
Total revenues	-	71,950	163,200
TRANSFERS IN			
Transfers from other funds	-	-	210,600
Total funds available	-	71,950	426,300
EXPENDITURES			
Operations and maintenance			
Repairs and maintenance	-	-	15,000
Landscaping	-	-	40,000
Utilities	-	-	20,000
Trash collection	-	3,500	20,000
Snow removal	-	2,500	10,500
Covenant enforcement	-	600	15,000
Billing services	-	12,500	15,000
Community Center			
Salaries and Benefits			
Management	-	-	36,000
Front desk staff	-	-	34,000
Events	-	-	3,500
Classes and services - Excercise	-	-	11,000
Classes and services - Other	-	-	21,000
Facilities	-	-	16,500
Administration			
Background checks	-	-	400
Office supplies	-	-	600
Computer supplies	-	-	1,750
Staff recognition	-	-	800
First aid supply	-	-	100
Coffee	-	-	500
Education, conference & training	-	-	500
Music licensing	-	-	750
Professional services	-	350	1,500
Miscellaneous/Overhead	-	-	2,000
Total expenditures	-	19,450	266,400
Total expenditures and transfers out requiring appropriation	-	19,450	266,400
ENDING FUND BALANCE	\$ -	\$ 52,500	\$ 159,900

No assurance is provided. See summary of significant assumptions.

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

1/25/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ -	\$ -	\$ 47,904
REVENUES			
Property taxes	-	44,151	30,723
Specific ownership tax	-	4,415	3,072
Total revenues	<u>-</u>	<u>48,566</u>	<u>33,795</u>
Total funds available	<u>-</u>	<u>48,566</u>	<u>81,699</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	-	662	461
Total expenditures	<u>-</u>	<u>662</u>	<u>461</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>662</u>	<u>461</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ 47,904</u>	<u>\$ 81,238</u>

No assurance is provided. See summary of significant assumptions.

**CHAPEL HEIGHTS METRO DISTRICT NO. 1
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Chapel Heights Metro District No. 1 (the "District") was formed under a Service Plan approved by the City of Colorado Springs, El Paso County, Colorado (the "City"), on May 5, 2020. The Districts' service area is located entirely within the City. The primary purpose of the Districts will be to provide for the planning, design, acquisition, construction, installation, relocation and/or redevelopment of public improvements and services as listed below. The District was organized by El Paso County Court Order on June 4, 2020.

At an election held on May 5, 2020, the voters approved general indebtedness of \$20,000,000 at a maximum interest rate of 18% for each of the following improvements and services: streets, water supply, sanitary sewer, traffic and safety controls, parks and recreation, mosquito control, television relay and translation, public transportation, and operations and maintenance.

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

The District prepares its budget on the modified accrual basis of accounting, in accordance with 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 differences may be material.

Revenues

Developer Advances

The District is in the development stage. As such, a significant portion of the operating and administrative expenditures are to be funded by the Developer. Developer advances are recorded as revenue for budget purposes with an obligation for future repayment when the District is financially able to reimburse the Developer from bond proceeds and other legally available revenue.

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, sale of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

The calculation of the taxes levied is displayed on page 3 of the Budget at the adopted total mill levy.

**CHAPEL HEIGHTS METRO DISTRICT NO. 1
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (continued)

Specific Ownership Taxes

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% of the property taxes collected.

Operations Fees

The District imposes a monthly operations fee on homeowner. The fee is based on applicable costs for the operations and maintenance costs of the District property. The fees and associated expenditures are tracked in the Special Revenue fund.

Working Capital Fees

The District imposes a one time working capital fee on each residential lot upon closing to cover the costs of operations and maintaining the District improvements. The fees and associated expenditures are tracked in the Special Revenue fund.

Expenditures

Administrative and Operations and Maintenance Expenditures

Administrative and operating expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, management, accounting, insurance, landscaping, utilities, and other administrative and operations and maintenance expenditures.

County Treasurer's Fees

County Treasurer's fees have been computed at 1.5% of property tax collections

**CHAPEL HEIGHTS METRO DISTRICT NO. 1
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases

The District has no operating or capital leases.

The District has outstanding developer advances. Anticipated activity is as follows:

	Balance -			Balance -
	December 31,		Retirement/	December 31,
	2020	Additions	Reductions	2021
Developer Advance	\$ -	\$ 40,000	\$ -	\$ 40,000
Accrued Interest -				
Developer Advances	-	298	-	298
	<u>\$ -</u>	<u>\$ 40,298</u>	<u>\$ -</u>	<u>\$ 40,298</u>
	Balance -			Balance -
	December 31,		Retirement/	December 31,
	2021	Additions	Reductions	1905
Developer Advance	\$ 40,000	\$ 295,000	\$ -	\$ 335,000
Accrued Interest -				
Developer Advances	298	14,919	-	15,217
	<u>\$ 40,298</u>	<u>\$ 309,919</u>	<u>\$ -</u>	<u>\$ 350,217</u>

Reserves

Emergency Reserve

The District has provided for an emergency reserve fund equal to at least 3% of fiscal year spending as defined under TABOR.

This information is an integral part of the accompanying budget.

EXHIBIT C

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of El Paso County, Colorado.

On behalf of the Chapel Heights Metropolitan District,
(taxing entity)^A

the BOARD OF DIRECTORS
(governing body)^B

of the Chapel Heights Metropolitan District
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 919,900 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: \$ 919,900 (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: 12/2/2021 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>16.699</u> mills	<u>\$ 15,361</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	<u>16.699</u> mills	<u>\$ 15,361</u>
3. General Obligation Bonds and Interest ^J	<u>33.398</u> mills	<u>\$ 30,723</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]	<u>50.097</u> mills	<u>\$ 46,084</u>

Contact person: (print) 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 Improvements
	Series:	Anticipated 2022 issuance
	Date of Issue:	TBD
	Coupon Rate:	TBD
	Maturity Date:	TBD
	Levy:	33.398
	Revenue:	\$30,723

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

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

CONTRACTS^K:

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.