

LETTER OF BUDGET TRANSMITTAL

Date: January 29, 2024

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

Attached are the 2024 budget and budget message for CHAPEL HEIGHTS METROPOLITAN DISTRICT in El Paso County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on November 6, 2023. If there are any questions on the budget, please contact:

Ms. Krista Baptist
CliftonLarsonAllen LLP
111 S. Tejon, Suite 705
Colorado Springs, Colorado
Phone: 303-779-5710

I, Krista Baptist as the District Manager of the Chapel Heights Metropolitan District, hereby certify that the attached is a true and correct copy of the 2024 budget.

By: Krista Baptist

**RESOLUTION
TO ADOPT 2024 BUDGET, APPROPRIATE SUMS OF MONEY,
AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY
CHAPEL HEIGHTS 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 CHAPEL HEIGHTS 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 Chapel Heights 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 November 6, 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 \$115,009; 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 \$230,023; 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 County is \$6,229,140; and

WHEREAS, at an election held on May 3, 2020, 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 OF THE CHAPEL HEIGHTS 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 Chapel Heights 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 18.463 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 32.927 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 6th day of November, 2023.

CHAPEL HEIGHTS METROPOLITAN DISTRICT

DocuSigned by:
James Byers
E06A55E129D7467...

President

ATTEST:

DocuSigned by:
Rich Vorwaller
409E181AF4E24DA...

Secretary

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

CHAPEL HEIGHTS METROPOLITAN DISTRICT
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2024

**CHAPEL HEIGHTS METROPOLITAN DISTRICT
SUMMARY
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/27/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 103,465	\$ 158,072	\$ 223,642
REVENUES			
Property taxes	46,058	153,042	345,032
Specific ownership taxes	4,792	15,824	34,503
Operations and maintenance fee	83,916	160,000	263,700
Interest income	25	-	6,690
Developer advance	75,000	2,455,136	2,041,200
Working capital fee	70,200	54,000	10,000
Reimbursed expenditures	-	-	3,834
Other revenue	1,048	164,383	-
Bond issuance proceeds	-	1,630,000	2,450,000
Late fees / penalties	5,664	8,000	8,000
Total revenues	<u>286,703</u>	<u>4,640,385</u>	<u>5,162,959</u>
Total funds available	<u>390,168</u>	<u>4,798,457</u>	<u>5,386,601</u>
EXPENDITURES			
General Fund	111,774	119,879	124,500
Debt Service Fund	461	70,805	200,000
Capital Projects Fund	-	4,008,638	4,461,200
Special Revenue Fund	119,861	375,493	400,000
Total expenditures	<u>232,096</u>	<u>4,574,815</u>	<u>5,185,700</u>
Total expenditures and transfers out requiring appropriation	<u>232,096</u>	<u>4,574,815</u>	<u>5,185,700</u>
ENDING FUND BALANCES	<u>\$ 158,072</u>	<u>\$ 223,642</u>	<u>\$ 200,901</u>
EMERGENCY RESERVE AVAILABLE FOR OPERATIONS	<u>\$ 600</u> <u>(11,856)</u>	<u>\$ 1,700</u> <u>-</u>	<u>\$ 3,900</u> <u>-</u>
TOTAL RESERVE	<u>\$ (11,256)</u>	<u>\$ 1,700</u>	<u>\$ 3,900</u>

No assurance provided. See summary of significant assumptions.

**CHAPEL HEIGHTS METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/27/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
ASSESSED VALUATION			
Residential	\$ 199,690	\$ 2,419,960	\$ 5,177,160
Commercial	-	2,470	110,580
Vacant land	720,210	883,450	941,400
	<u>919,900</u>	<u>3,305,880</u>	<u>6,229,140</u>
Certified Assessed Value	<u>\$ 919,900</u>	<u>\$ 3,305,880</u>	<u>\$ 6,229,140</u>
MILL LEVY			
General	16.699	15.431	18.463
Debt Service	33.398	30.863	36.927
Total mill levy	<u>50.097</u>	<u>46.294</u>	<u>55.390</u>
PROPERTY TAXES			
General	\$ 15,361	\$ 51,013	\$ 115,009
Debt Service	30,723	102,029	230,023
Adjustments to actual/rounding	-	-	-
Levied property taxes	<u>46,084</u>	<u>153,042</u>	<u>345,032</u>
Budgeted property taxes	<u>\$ 46,084</u>	<u>\$ 153,042</u>	<u>\$ 345,032</u>
BUDGETED PROPERTY TAXES			
General	\$ 15,361	\$ 51,013	\$ 115,009
Debt Service	30,723	102,029	230,023
	<u>\$ 46,084</u>	<u>\$ 153,042</u>	<u>\$ 345,032</u>

No assurance provided. See summary of significant assumptions.

**CHAPEL HEIGHTS METROPOLITAN DISTRICT
GENERAL FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/27/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 7,514	\$ (11,256)	\$ 1,700
REVENUES			
Property taxes	15,351	51,013	115,009
Specific ownership taxes	1,597	5,324	11,501
Interest income	8	-	190
Developer advance	75,000	76,498	-
Other revenue	1,048	-	-
Total revenues	<u>93,004</u>	<u>132,835</u>	<u>126,700</u>
Total funds available	<u>100,518</u>	<u>121,579</u>	<u>128,400</u>
EXPENDITURES			
General and administrative			
Accounting	27,339	34,000	34,000
County Treasurer's fee	230	765	1,725
Dues and membership	348	359	500
Insurance	1,498	2,784	16,221
District management	61,196	61,000	45,000
Legal	11,039	20,000	16,500
Miscellaneous	1,127	21	-
Election	8,997	950	-
Contingency	-	-	10,554
Total expenditures	<u>111,774</u>	<u>119,879</u>	<u>124,500</u>
Total expenditures and transfers out requiring appropriation	<u>111,774</u>	<u>119,879</u>	<u>124,500</u>
ENDING FUND BALANCES	<u>\$ (11,256)</u>	<u>\$ 1,700</u>	<u>\$ 3,900</u>
EMERGENCY RESERVE	\$ 600	\$ 1,700	\$ 3,900
AVAILABLE FOR OPERATIONS	(11,856)	-	-
TOTAL RESERVE	<u>\$ (11,256)</u>	<u>\$ 1,700</u>	<u>\$ 3,900</u>

No assurance provided. See summary of significant assumptions.

**CHAPEL HEIGHTS METROPOLITAN DISTRICT
SPECIAL REVENUE FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/27/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 46,969	\$ 86,888	\$ 97,778
REVENUES			
Operations and maintenance fee	83,916	160,000	263,700
Working capital fee	70,200	54,000	10,000
Developer advance	-	-	30,000
Late fees / penalties	5,664	8,000	8,000
Program fees	-	-	3,834
Other revenue	-	164,383	-
Total revenues	<u>159,780</u>	<u>386,383</u>	<u>315,534</u>
Total funds available	<u>206,749</u>	<u>473,271</u>	<u>413,312</u>
EXPENDITURES			
General and administrative			
Salaries	48,264	154,925	152,760
Employee Benefits	-	9,485	7,989
Payroll Taxes	-	16,958	14,283
Administration - Office supplies	-	892	6,300
Administration - Education/conference/training	-	743	850
Administration - Contractual services	-	-	100
Administration - Telephone	-	-	3,000
Administration - Occupancy	-	-	6,330
Administration - Printing/publication	-	-	717
Administration - Travel/transportation	-	-	500
Administration - Organization dues	-	-	2,916
Administration - Insurance premiums	-	-	2,880
Administration - Expense allocation	-	-	28,614
Administration - Background checks	-	595	-
Administration - Computer supplies	-	2,602	-
Administration - Staff recognition	-	1,189	-
Administration - Computer hardware	-	22,299	-
Administration - First aid supply	-	149	-
Administration - Coffee	-	743	-
Administration - Music Licensing	-	1,115	-
Administration - Professional services	-	2,230	-
Administration - Miscellaneous	-	2,973	-
Operations and maintenance			
Operations and maintenance - Repairs and maintenance	-	13,000	13,000
Operations and maintenance - Landscaping	-	-	45,000
Operations and maintenance - Utilities	2,546	27,000	30,000
Operations and maintenance - Trash collection	25,389	47,795	25,000
Operations and maintenance - Snow removal	-	10,500	10,000
Operations and maintenance - Covenant enforcement	4,946	18,000	10,000
Operations and maintenance - Billing services	31,823	42,000	35,000
Operations and maintenance - Security	6,893	300	4,761
Total expenditures	<u>119,861</u>	<u>375,493</u>	<u>400,000</u>
Total expenditures and transfers out requiring appropriation	<u>119,861</u>	<u>375,493</u>	<u>400,000</u>
ENDING FUND BALANCES	<u>\$ 86,888</u>	<u>\$ 97,778</u>	<u>\$ 13,312</u>

No assurance provided. See summary of significant assumptions.

**CHAPEL HEIGHTS METROPOLITAN DISTRICT
DEBT SERVICE FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/27/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 48,982	\$ 82,440	\$ 124,164
REVENUES			
Property taxes	30,707	102,029	230,023
Specific ownership taxes	3,195	10,500	23,002
Interest income	17	-	6,500
Total revenues	<u>33,919</u>	<u>112,529</u>	<u>259,525</u>
Total funds available	<u>82,901</u>	<u>194,969</u>	<u>383,689</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	461	1,530	3,450
Contingency	-	-	23,150
Debt Service			
Bond interest	-	69,275	173,400
Total expenditures	<u>461</u>	<u>70,805</u>	<u>200,000</u>
Total expenditures and transfers out requiring appropriation	<u>461</u>	<u>70,805</u>	<u>200,000</u>
ENDING FUND BALANCES	<u>\$ 82,440</u>	<u>\$ 124,164</u>	<u>\$ 183,689</u>

No assurance provided. See summary of significant assumptions.

**CHAPEL HEIGHTS METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/27/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Developer advance	-	2,378,638	2,011,200
Bond issuance proceeds	-	1,630,000	2,450,000
Total revenues	-	4,008,638	4,461,200
Total funds available	-	4,008,638	4,461,200
EXPENDITURES			
General and Administrative			
Accounting	-	3,250	3,200
Capital Projects			
Repay developer advance	-	1,407,000	2,450,000
Bond issue costs	-	220,500	-
Engineering	-	8,000	8,000
Capital outlay	-	2,369,888	2,000,000
Total expenditures	-	4,008,638	4,461,200
Total expenditures and transfers out requiring appropriation	-	4,008,638	4,461,200
ENDING FUND BALANCES	\$ -	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

**CHAPEL HEIGHTS METRO DISTRICT NO. 1
2024 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

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 the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

**CHAPEL HEIGHTS METRO DISTRICT NO. 1
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (continued)

Property Taxes (continued)

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

Category	Rate		Category	Rate		Actual Value Reduction	Amount
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 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 of \$175 per home that is budgeted for 2024. 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.

**CHAPEL HEIGHTS METRO DISTRICT NO. 1
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures (continued)

County Treasurer’s Fees

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

Debt Service

Principal and interest payments are provided based on the anticipated debt amortization schedule from the Series 2023 Loan (discussed under Debt and Leases).

Debt and Leases

Limited Tax General Obligation Advancing Improvement Loan, Series 2023

On February 1, 2023 the District issued Limited Tax General Obligation Advancing Improvement Loan, Series 2023 (Series 2023 Loan) in the principal amount of \$5,000,000. The Series 2023 Loan were issued with an interest rate of 4.25% per annum. Interest is payable annually on December 1, commencing on December 1, 2023. The Series 2023 Loan will be issued on a “drawdown” basis. The initial drawdown amount on the closing date of February 1, 2023, was \$1,630,000. The second drawdown will be in 2024 in the amount of \$2,450,000 and last drawdown will be in 2025 in the amount of \$920,000. The Series 2023 Loan were issued for the purposes of financing certain Public Improvements related to the Development.

Developer Advances

The District entered into a Reimbursement Agreement (Agreement) with the Developer. The District agrees to repay the Developer along with accrued interest, at a rate of 7.00% beginning on the date the advance were made to the date of repayment. The Agreement does not constitute a multiple-fiscal year obligation.

The following is an analysis of changes in long-term obligations:

	Balance - December 31, 2022	Additions *	Payments *	Balance - December 31, 2023
Series 2023 Loan - Principal	\$ -	\$ 1,630,000	\$ -	\$ 1,630,000
Developer Advances - Capital	-	2,378,638	1,407,000	971,638
Accrued Interest - Capital	-	68,015	-	68,015
Developer Advances - Operations	103,209	73,779	-	176,988
Accrued Interest - Operations	3,430	12,389	-	15,819
Total Long Term Obligations	\$ 106,639	\$ 4,162,821	\$ 1,407,000	\$ 2,862,460

**CHAPEL HEIGHTS METRO DISTRICT NO. 1
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases (continued)

	Balance - December 31, 2023	Additions *	Payments *	Balance - December 31, 2024
Series 2023 Loan - Principal	\$ 1,630,000	\$ 2,450,000	\$ -	\$ 4,080,000
Developer Advances - Capital	971,638	2,011,200	2,450,000	532,838
Accrued Interest - Capital	68,015	37,299	-	105,313
Developer Advances - Operations	176,988	-	-	176,988
Accrued Interest - Operations	15,819	12,389	-	28,208
Total Long Term Obligations	\$ 2,862,460	\$ 4,510,888	\$ 2,450,000	\$ 4,923,348

* Estimates

The District has no operating or capital leases.

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.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of El Paso County, Colorado.

On behalf of the Chapel Heights Metropolitan District

the Board of Directors (taxing entity)^A

of the Chapel Heights Metropolitan District (governing body)^B

(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 6,229,140 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: \$ 6,229,140 (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: 01/05/2024 for budget/fiscal year 2024 (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>18.463</u> mills	\$ <u>115,009</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	<u>18.463</u> mills	\$ <u>115,009</u>
3. General Obligation Bonds and Interest ^J	<u>36.927</u> mills	\$ <u>230,023</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>55.390</u> mills	\$ <u>345,032</u>

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: | Limited Tax General Obligation Advancing Improvement Loan |
| | Series: | Series 2023 |
| | Date of Issue: | February 1, 2023 |
| | Coupon Rate: | 4.25% |
| | Maturity Date: | December 1, 2042 |
| | Levy: | 36.927 |
| | Revenue: | \$ 230,023 |
| | | |
| 2. | Purpose of Issue: | _____ |
| | Series: | _____ |
| | Date of Issue: | _____ |
| | Coupon Rate: | _____ |
| | Maturity Date: | _____ |
| | Levy: | _____ |
| | Revenue: | _____ |

CONTRACTS^K:

- | | | |
|----|----------------------|-------|
| 3. | Purpose of Contract: | _____ |
| | Title: | _____ |
| | Date: | _____ |
| | Principal Amount: | _____ |
| | Maturity Date: | _____ |
| | Levy: | _____ |
| | Revenue: | _____ |
| | | |
| 4. | Purpose of Contract: | _____ |
| | Title: | _____ |
| | Date: | _____ |
| | Principal Amount: | _____ |
| | Maturity Date: | _____ |
| | Levy: | _____ |
| | Revenue: | _____ |

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

Notes:

^A **Taxing Entity**—A jurisdiction authorized by law to impose ad valorem property taxes on taxable property located within its territorial limits (please see notes B, C, and H below). For purposes of the DLG 70 only, a *taxing entity* is also a geographic area formerly located within a *taxing entity's* boundaries for which the county assessor certifies a valuation for assessment and which is responsible for payment of its share until retirement of financial obligations incurred by the *taxing entity* when the area was part of the *taxing entity*. For example: an area of excluded property formerly within a special district with outstanding general obligation debt at the time of the exclusion or the area located within the former boundaries of a dissolved district whose outstanding general obligation debt service is administered by another local government^C.

^B **Governing Body**—The board of county commissioners, the city council, the board of trustees, the board of directors, or the board of any other entity that is responsible for the certification of the *taxing entity's* mill levy. For example: the board of county commissioners is the governing board ex officio of a county public improvement district (PID); the board of a water and sanitation district constitutes ex officio the board of directors of the water subdistrict.

^C **Local Government** - For purposes of this line on Page 1 of the DLG 70, the *local government* is the political subdivision under whose authority and within whose boundaries the *taxing entity* was created. The *local government* is authorized to levy property taxes on behalf of the *taxing entity*. For example, for the purposes of this form:

1. a municipality is both the *local government* and the *taxing entity* when levying its own levy for its entire jurisdiction;
2. a city is the *local government* when levying a tax on behalf of a business improvement district (BID) *taxing entity* which it created and whose city council is the BID board;
3. a fire district is the *local government* if it created a subdistrict, the *taxing entity*, on whose behalf the fire district levies property taxes.
4. a town is the *local government* when it provides the service for a dissolved water district and the town board serves as the board of a dissolved water district, the *taxing entity*, for the purpose of certifying a levy for the annual debt service on outstanding obligations.

^D **GROSS Assessed Value** - There will be a difference between gross assessed valuation and net assessed valuation reported by the county assessor only if there is a “tax increment financing” entity (see below), such as a downtown development authority or an urban renewal authority, within the boundaries of the *taxing entity*. The board of county commissioners certifies each *taxing entity's* total mills upon the *taxing entity's* *Gross Assessed Value* found on Line 2 of Form DLG 57.

^E **Certification of Valuation by County Assessor, Form DLG 57** - The county assessor(s) uses this form (or one similar) to provide valuation for assessment information to a *taxing entity*. The county assessor must provide this certification no later than August 25th each year and may amend it, one time, prior to December 10th. Each entity must use the **FINAL** valuation provided by assessor when certifying a tax levy.

^F **TIF Area**—A downtown development authority (DDA) or urban renewal authority (URA), may form plan areas that use “tax increment financing” to derive revenue from increases in assessed valuation (gross minus net, Form DLG 57 Line 3) attributed to the activities/improvements within the plan area. The DDA or URA receives the differential revenue of each overlapping *taxing entity's* mill levy applied against the *taxing entity's* gross assessed value after subtracting the *taxing entity's* revenues derived from its mill levy applied against the net assessed value.

^G **NET Assessed Value**—The total taxable assessed valuation from which the *taxing entity* will derive revenues for its uses. It is found on Line 4 of Form DLG 57. **Please Note:** A downtown development authority (DDA) may be both a *taxing entity* and have also created its own *TIF area* and/or have a URA *TIF Area* within the DDA's boundaries. As a result DDAs may both receive operating revenue from their levy applied to their certified *NET assessed value* and also receive TIF revenue generated by any *tax entity* levies overlapping the DDA's *TIF Area*, including the DDA's own operating levy.

^H General Operating Expenses (DLG 70 Page 1 Line 1)—The levy and accompanying revenue reported on Line 1 is for general operations and includes, in aggregate, all levies for and revenues raised by a *taxing entity* for purposes not lawfully exempted and detailed in Lines 3 through 7 on Page 1 of the DLG 70. For example: a fire pension levy is included in general operating expenses, unless the pension is voter-approved, if voter-approved, use Line 7 (Other).

^I Temporary Tax Credit for Operations (DLG 70 Page 1 Line 2)—The Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction of 39-1-111.5, C.R.S. may be applied to the *taxing entity*'s levy for general operations to effect refunds. Temporary Tax Credits (TTCs) are not applicable to other types of levies (non-general operations) certified on this form because these levies are adjusted from year to year as specified by the provisions of any contract or schedule of payments established for the payment of any obligation incurred by the *taxing entity* per 29-1-301(1.7), C.R.S., or they are certified as authorized at election per 29-1-302(2)(b), C.R.S.

^J General Obligation Bonds and Interest (DLG 70 Page 1 Line 3)—Enter on this line the total levy required to pay the annual debt service of all general obligation bonds. Per 29-1-301(1.7) C.R.S., the amount of revenue levied for this purpose cannot be greater than the amount of revenue required for such purpose as specified by the provisions of any contract or schedule of payments. Title 32, Article 1 Special districts and subdistricts must complete Page 2 of the DLG 70.

^K Contractual Obligation (DLG 70 Page 1 Line 4)—If repayment of a contractual obligation with property tax has been approved at election and it is not a general obligation bond (shown on Line 3), the mill levy is entered on this line. Per 29-1-301(1.7) C.R.S., the amount of revenue levied for this purpose cannot be greater than the amount of revenue required for such purpose as specified by the provisions of any contract or schedule of payments.

^L Capital Expenditures (DLG 70 Page 1 Line 5)—These revenues are not subject to the statutory property tax revenue limit if they are approved by counties and municipalities through public hearings pursuant to 29-1-301(1.2) C.R.S. and for special districts through approval from the Division of Local Government pursuant to 29-1-302(1.5) C.R.S. or for any *taxing entity* if approved at election. Only levies approved by these methods should be entered on Line 5.

^M Refunds/Abatements (DLG 70 Page 1 Line 6)—The county assessor reports on the *Certification of Valuation* (DLG 57 Line 11) the amount of revenue from property tax that the local government did not receive in the prior year because taxpayers were given refunds for taxes they had paid or they were given abatements for taxes originally charged to them due to errors made in their property valuation. The local government was due the tax revenue and would have collected it through an adjusted mill levy if the valuation errors had not occurred. Since the government was due the revenue, it may levy, in the subsequent year, a mill to collect the refund/abatement revenue. An abatement/refund mill levy may generate revenues up to, but not exceeding, the refund/abatement amount from Form DLG 57 Line 11.

1. Please Note: Pursuant to Article X, Section 3 of the Colorado Constitution, if the *taxing entity* is in more than one county, as with all levies, the abatement levy must be uniform throughout the entity's boundaries and certified the same to each county. To calculate the abatement/refund levy for a *taxing entity* that is located in more than one county, first total the abatement/refund amounts reported by each county assessor, then divide by the *taxing entity*'s total net assessed value, then multiply by 1,000 and round down to the nearest three decimals to prevent levying for more revenue than was abated/refunded. This results in an abatement/refund mill levy that will be uniformly certified to all of the counties in which the *taxing entity* is located even though the abatement/refund did not occur in all the counties.

^N Other (DLG 70 Page 1 Line 7)—Report other levies and revenue not subject to 29-1-301 C.R.S. that were not reported above. For example: a levy for the purposes of television relay or translator facilities as specified in sections 29-7-101, 29-7-102, and 29-7-105 and 32-1-1005 (1) (a), C.R.S.; a voter-approved fire pension levy; a levy for special purposes such as developmental disabilities, open space, etc.

**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 Chapel Heights Metropolitan District ("District"). Such proposed budget will be considered at a meeting and public hearing of the Board of Directors of the District to be held at 10:00 a.m. on November 6, 2023, or as soon thereafter as the Board determines, via telephone and videoconference. To attend and participate by telephone, dial 720-547-5281 and enter Phone Conference ID: 741 646 399#. Information regarding public participation by videoconference will be available at least 24 hours prior to the meeting and public hearing online at www.chapelheightsmd.com.

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 at 121 South 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.

CHAPEL HEIGHTS METROPOLITAN DISTRICT

By: /s/ James Byers, President

Published On: October 25, 2023

Published In: *The Daily Transcript*