

**RESOLUTION NO. 2022-09-03**

**RESOLUTION  
ADOPTING BUDGET, IMPOSING MILL LEVY AND APPROPRIATING FUNDS  
(2023)**

---

The Board of Directors of Cuchares Ranch Metropolitan District (the “**Board**”), El Paso County, Colorado (the “**District**”), held a special meeting, via teleconference on September 26, 2022, at the hour of 1:00 p.m.

Prior to the meeting, each of the directors was notified of the date, time and place of the budget meeting and the purpose for which it was called and a notice of the meeting was posted or published in accordance with §29-1-106, C.R.S.

*[Remainder of Page Intentionally Left Blank]*

## NOTICE AS TO PROPOSED 2023 BUDGET

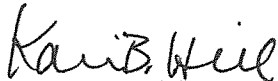
THE EL PASO COUNTY ADVERTISER AND NEWS,  
FOUNTAIN, COLORADO 80817  
STATE OF COLORADO

SS.

COUNTY OF EL PASO

I, Karin B. Hill, do solemnly swear that I am Managing Editor of the El Paso County Advertiser and News, that the same is a weekly newspaper printed, in whole or in part, and published in the County of El Paso, state of Colorado, and has a general circulation therein; that said newspaper has been published continuously and uninterruptedly in said county of El Paso for a period of more than 52 weeks next prior to the first publication of the annexed notice and that said newspaper is a weekly newspaper duly qualified for publishing legal notices and advertisements within the meaning of the laws of the State of Colorado.

That copies of each number of said paper in which said notice and list were published were delivered by carriers or transmitted by mail to each of the subscribers of said paper for a period of 1 consecutive insertions, once each week, and on the same day of each week; and that first publication of said notice was in the issue of said newspaper dated September 21 A.D. 2022 and that the last publication of said notice was in the issue of said newspaper dated September 21st A.D. 2022.

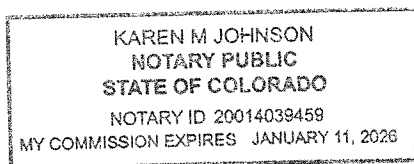


Karin B. Hill  
Managing Editor

Subscribed and sworn to before me, a notary public in and for the County of El Paso, State of Colorado, this 21st day of September A.D. 2022.



Karen M. Johnson  
Notary Public  
My Commission Expires January 11, 2026



NOTICE OF PUBLIC HEARING ON THE AMENDED 2022 BUDGET  
AND  
NOTICE OF PUBLIC HEARING ON THE PROPOSED 2023 BUDGET

NOTICE IS HEREBY GIVEN that the Board of Directors (the "Board") of the CUCHARAS RANCH METROPOLITAN DISTRICT (the "District"), will hold a meeting via teleconference on September 26, 2022 at 1:00 p.m., for the purpose of conducting such business as may come before the Board including a public hearing on the 2023 proposed budget (the "Proposed Budget"). The necessity may also arise for an amendment to the 2022 budget (the "Amended Budget"). This meeting can be joined using the following teleconference information:

<https://us06web.zoom.us/j/84021304229?pwd=WmFlcWZpSXBFZndWZTZuZWl2TU0wZzZt>

Meeting ID: 840 2130 4229  
Passcode: 373455

NOTICE IS FURTHER GIVEN that the Proposed Budget and Amended Budget (if applicable) have been submitted to the District. A copy of the Proposed Budget and Amended Budget are on file in the office of White Bear Ankele Tanaka and Waldron, 2154 E. Commo Ave., Suite 2000, Centennial, CO 80122, where the same are open for public inspection.

Any interested elector of the District may file any objections to the Proposed Budget and Amended Budget at any time prior to final adoption of the Proposed Budget or the Amended Budget by the Board. This meeting is open to the public and the agenda for any meeting may be obtained by calling (303) 858-1800.

BY ORDER OF THE BOARD OF DIRECTORS:

CUCHARAS RANCH METROPOLITAN DISTRICT,  
quasi-municipal corporation and political subdivision  
of the State of Colorado

/s/ WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys at Law

Published in the Fountain Valley News  
Published on: September 21, 2022

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET AND APPROPRIATING SUMS OF MONEY TO EACH FUND IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE DISTRICT FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2023 AND ENDING ON THE LAST DAY OF DECEMBER 2023.

WHEREAS, the Board has authorized its accountant to prepare and submit a proposed budget to the Board in accordance with Colorado law; and

WHEREAS, the proposed budget has been submitted to the Board for its review and consideration; and

WHEREAS, upon due and proper notice, provided in accordance with Colorado law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on September 26, 2022, interested electors were given the opportunity to file or present any objections to said proposed budget at any time prior to final adoption of the budget by the Board.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

Section 1. Adoption of Budget. The budget attached hereto and incorporated herein is approved and adopted as the budget of the District for fiscal year 2023. In the event of recertification of values by the County Assessor's Office after the date of adoption hereof, staff is hereby directed to modify and/or adjust the budget and certification to reflect the recertification without the need for additional Board authorization. Any such modification to the budget or certification as contemplated by this Section 1 shall be deemed ratified by the Board.

Section 2. Levy for General Operating Expenses. For the purpose of meeting all general operating expenses of the District during the 2023 budget year, there is hereby levied a tax of 3.935 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 3. Levy for Debt Service Obligations. For the purposes of meeting all debt service obligations of the District during the 2023 budget year, there is hereby levied a tax of 25.304 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 4. Levy for Contractual Obligation Expenses. For the purposes of meeting all contractual obligations of the District during the 2023 budget year, 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 District.

Section 5. Levy for Capital Project Expenses. For the purposes of meeting all capital project obligations of the District during the 2022 budget year, 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 District.

Section 6. Certification to County Commissioners. The Board directs its legal counsel, manager, accountant or other designee to certify to the Board of County Commissioners of El Paso County, Colorado the mill levies for the District as set forth herein. Such certification shall be in compliance with the requirements of Colorado law.

Section 7. Appropriations. The amounts set forth as expenditures in the budget attached hereto are hereby appropriated.

Section 8. Filing of Budget and Budget Message. The Board hereby directs its legal counsel, manager or other designee to file a certified copy of the adopted budget resolution, the budget and budget message with the Division of Local Government by January 30 of the ensuing year.


Section 9. Budget Certification. The budget shall be certified by a member of the District, or a person appointed by the District, and made a part of the public records of the District.

*[Remainder of Page Intentionally Left Blank]*

ADOPTED THIS 26<sup>TH</sup> DAY OF SEPTEMBER, 2022.

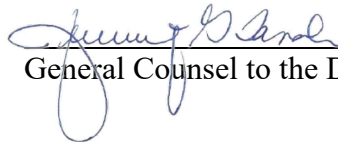
**DISTRICT:**

**CUCHARES RANCH METROPOLITAN DISTRICT**, a quasi-municipal corporation and political subdivision of the State of Colorado

By:   
Judy Granczewski (Sep 27, 2022 14:17 MDT)  
Officer of the District

**APPROVED AS TO FORM:**

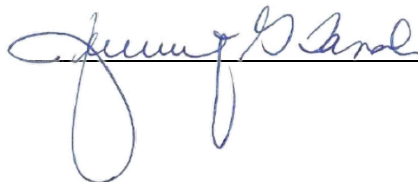
WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys at Law

  
General Counsel to the District

STATE OF COLORADO  
COUNTY OF EL PASO  
CUCHARES RANCH METROPOLITAN DISTRICT

I hereby certify that the foregoing resolution constitutes a true and correct copy of the record of proceedings of the Board adopted by a majority of the Board at a District meeting held via teleconference on September 26, 2022, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 26th day of September, 2022.



**EXHIBIT A**

**BUDGET DOCUMENT**

**BUDGET MESSAGE**



**SCHILLING & COMPANY, INC.**

*Certified Public Accountants*

P.O. Box 631579  
HIGHLANDS RANCH, CO 80163

PHONE: 720.348.1086

FAX: 720.348.2920

### **Accountant's Compilation Report**

Board of Directors  
Cuchares Ranch Metropolitan District  
El Paso County, Colorado

Management is responsible for the accompanying budget of revenues, expenditures, and fund balances of Cuchares Ranch Metropolitan District (District), for the year ending December 31, 2023, including the estimate of comparative information for the year ending December 31, 2022, and the actual comparative information for the year ending December 31, 2021, in the format required by Colorado Revised Statutes (C.R.S.) 29-1-105. 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 budget 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 accompanying budget.

The actual comparative information for the year ending December 31, 2021 is presented for comparative purposes as required by Colorado Revised Statutes (C.R.S.) 29-1-105. Such information is taken from the audited financial statements of the District for the year ended December 31, 2021. Dazzio & Associates, PC audited the financial statements for the year ended December 31, 2021, whose report was dated September 13, 2022.

The budget is presented in accordance with the requirements of Colorado Revised Statutes (C.R.S.) 29-1-105, and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

We are not independent with respect to Cuchares Ranch Metropolitan District.

*SCHILLING & COMPANY, INC.*

Highlands Ranch, Colorado  
December 9, 2022



**CUCHARS RANCH METROPOLITAN DISTRICT**  
**PROPERTY TAX SUMMARY INFORMATION**  
For the Years Ended and Ending December 31,

	<b>ACTUAL 2021</b>	<b>ADOPTED BUDGET 2022</b>	<b>ADOPTED BUDGET 2023</b>
<b>ASSESSED VALUATION</b>			
El Paso County			
Certified Assessed Value	<u>\$ 8,765,890</u>	<u>\$ 9,797,780</u>	<u>\$ 9,533,620</u>
<b>MILL LEVY</b>			
General - Operations	4.196	3.792	3.935
Debt Service - Senior Bonds (2016A)	32.901	-	-
Debt Service - Subordinate Bonds (2016B)	13.001	-	-
Debt Service - Refunding Loan Series 2021	-	24.180	25.304
Total mill levy	<u>50.098</u>	<u>27.972</u>	<u>29.239</u>
<b>PROPERTY TAXES</b>			
General Fund	\$ 36,782	\$ 37,153	\$ 37,515
Debt Service Fund:			
Debt Service - Senior Bonds (2016A)	288,407	-	-
Debt Service - Subordinate Bonds (2016B)	113,965	-	-
Debt Service - Refunding Loan Series 2021	-	236,910	241,239
Levied property taxes	439,154	274,063	278,754
Adjustments to actual/rounding	-	-	-
Actual or budgeted property taxes	<u>\$ 439,154</u>	<u>\$ 274,063</u>	<u>\$ 278,754</u>
<b>PROPERTY TAXES BY FUND</b>			
General Fund	\$ 36,782	\$ 37,153	\$ 37,515
Debt Service	402,372	236,910	241,239
	<u>\$ 439,154</u>	<u>\$ 274,063</u>	<u>\$ 278,754</u>

This financial information should be read only in connection with the accompanying accountant's compilation report and the summary of significant assumptions.

**CUCHARS RANCH METROPOLITAN DISTRICT  
GENERAL FUND  
2023 BUDGET AS ADOPTED  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

	<b>ACTUAL 2021</b>	<b>ESTIMATED 2022</b>	<b>ADOPTED BUDGET 2023</b>
<b>BEGINNING FUND BALANCE</b>	\$ 70,140	\$ 83,400	\$ 94,468
<b>REVENUE</b>			
Property tax	36,782	37,153	37,515
Specific ownership tax	4,319	3,723	3,376
Net investment income	10	7	10
Total revenue	<u>41,111</u>	<u>40,883</u>	<u>40,901</u>
Total funds available	<u>111,251</u>	<u>124,283</u>	<u>135,369</u>
<b>EXPENDITURES</b>			
General Government			
Legal	16,524	15,695	25,000
Accounting	4,107	3,536	5,000
Audit	3,900	4,200	4,200
Insurance and bonds	2,324	2,577	2,700
Election	-	2,714	5,000
Bank service charges	120	120	120
Dues and subscriptions	324	416	500
Treasurer's fees	552	557	563
Contingency	-	-	20,000
Total expenditures	<u>27,851</u>	<u>29,815</u>	<u>63,083</u>
Total expenditures requiring appropriation	<u>27,851</u>	<u>29,815</u>	<u>63,083</u>
<b>ENDING FUND BALANCE</b>	<u>\$ 83,400</u>	<u>\$ 94,468</u>	<u>\$ 72,286</u>
<b>EMERGENCY RESERVE</b>	<u>\$ 1,233</u>	<u>\$ 1,227</u>	<u>\$ 1,228</u>

This financial information should be read only in connection with the accompanying accountant's compilation report and the summary of significant assumptions.

**CUCHARS RANCH METROPOLITAN DISTRICT  
DEBT SERVICE FUND  
2023 BUDGET AS ADOPTED  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

	<b>ACTUAL 2021</b>	<b>ESTIMATED 2022</b>	<b>ADOPTED BUDGET 2023</b>
<b>BEGINNING FUND BALANCE</b>	\$ 607,707	\$ 118,293	\$ 119,039
<b>REVENUE</b>			
Property tax	402,372	236,910	241,239
Specific ownership taxes	47,252	23,745	21,712
Interest income	238	338	400
Total revenue	<u>449,862</u>	<u>260,993</u>	<u>263,351</u>
<b>OTHER FINANCING SOURCES</b>			
Loan issuance proceeds	5,835,000	-	-
Total other financing sources	<u>5,835,000</u>	<u>-</u>	<u>-</u>
Total funds available	<u>6,892,569</u>	<u>379,286</u>	<u>382,390</u>
<b>EXPENDITURES</b>			
Treasurer's fees	6,037	3,554	3,619
Bank service charges	48	-	100
Paying agent fees	377	-	1,000
Bond/loan principal	260,000	90,000	95,000
Bond/loan interest	148,668	166,693	164,001
Bond Issue Cost	143,344	-	-
Payment to refunded bonds escrow	611,546	-	-
Contingency	-	-	10,000
Total expenditures	<u>1,170,020</u>	<u>260,247</u>	<u>273,720</u>
<b>OTHER FINANCING USES</b>			
Payment to Refunding Escrow	5,604,256	-	-
Total other financing uses	<u>5,604,256</u>	<u>-</u>	<u>-</u>
Total expenditures requiring appropriation	<u>6,774,276</u>	<u>260,247</u>	<u>273,720</u>
<b>ENDING FUND BALANCE</b>	<u>\$ 118,293</u>	<u>\$ 119,039</u>	<u>\$ 108,670</u>
<b>REQUIRED RESERVE</b>	<u>\$ 87,400</u>	<u>\$ 87,400</u>	<u>\$ 87,400</u>

This financial information should be read only in connection with the accompanying accountant's compilation report and the summary of significant assumptions.

**CUCHARS RANCH METROPOLITAN DISTRICT  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Disclosures contained in this summary as presented by management, are those that are believed to be significant as of the date of the compilation report and are not intended to be all-inclusive. The disclosures are intended to describe assumptions used during the preparation of the 2023 annual budget. Actual results may differ from the prospective results contained in the budget.

**SERVICES PROVIDED**

The Cuchares Ranch Metropolitan District (the "District"), was organized in El Paso County to provide financing for the construction, operation and maintenance of public infrastructure improvements within the District's boundaries. Since organization, all District services have been provided by the Colorado Centre Metropolitan District pursuant to an inclusion agreement recorded 10/21/2010 (Reception No. 210105509, El Paso County, Colorado).

The District prepares its budget on the modified accrual basis of accounting.

**REVENUE**

*Property Tax*

Property taxes are forecasted based on the mill levy adopted applied to the annual assessed valuation of \$9,533,620. The calculation of the taxes levied is displayed on page two of the budget at the adopted total mill levy of 29.239 mills. The 29.239 mill levy is comprised of the Required Mill Levy for the Taxable (Converting to Tax-Exempt) Refunding Loan, Series 2021 of 25.304 mills and the Operations Mill Levy of 3.935 in the General Fund.

*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 9% of the property taxes collected.

*Investment Income*

Interest earned on the District's available funds has been estimated based on interest earnings from the prior year.

**EXPENDITURES**

*Administrative Expenditures*

Administrative expenditures have been provided based on estimates of the District's Board of Directors and consultants and include the services necessary to maintain the District's administrative viability such as legal, accounting, managerial, insurance, meeting expense, and other administrative expenses.

**CUCHARS RANCH METROPOLITAN DISTRICT  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**DEBT AND LEASES**

During 2021, the District entered into a \$5,835,000 Taxable (Converting to Tax-Exempt) Refunding Loan, Series 2021. The loan proceeds were used to advance refund and defease the outstanding General Obligation Limited Tax Refunding and Improvement Bonds Series 2016A and outstanding Subordinate General Obligation Limited Tax Bonds Series 2016B.

The Schedule of Debt Service Requirements for the \$5,835,000 Taxable (Converting to Tax-Exempt) Refunding Loan, Series 2021 included on page 7 was obtained from the amortization schedules prepared for the loan issuance and assumes the loan will convert from taxable to tax-exempt as anticipated in the loan documents.

The District has no operating or capital leases.

**RESERVES**

The District has provided for an emergency reserve fund of at least 3% of fiscal year spending for 2023, as defined under TABOR.

This information is an integral part of the accompanying budget.

**CUCHARS RANCH METROPOLITAN DISTRICT  
SCHEDULE OF DEBT SERVICE REQUIREMENTS**

<b>\$5,835,000</b>			
<b>Taxable (Converting to Tax-Exempt)</b>			
<b>Refunding Loan, Series 2021</b>			
<b>Bearing Interest at 3.78% Taxable Through</b>			
<b>9/17/2021, 2.99% Tax Exempt to 12/1/2035,</b>			
<b>4.00% Thereafter Until Maturity</b>			
<b>Year ended December 31,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2023	\$ 95,000	\$ 164,001	\$ 259,001
2024	100,000	161,161	261,161
2025	105,000	158,171	263,171
2026	115,000	155,032	270,032
2027	115,000	151,593	266,593
2028	125,000	148,154	273,154
2029	130,000	144,417	274,417
2030	140,000	140,530	280,530
2031	145,000	136,344	281,344
2032	155,000	132,009	287,009
2033	160,000	127,374	287,374
2034	170,000	122,590	292,590
2035	175,000	117,507	292,507
2036	145,000	150,200	295,200
2037	155,000	144,400	299,400
2038	165,000	138,200	303,200
2039	175,000	131,600	306,600
2040	185,000	124,600	309,600
2041	195,000	117,200	312,200
2042	210,000	109,400	319,400
2043	215,000	101,000	316,000
2044	230,000	92,400	322,400
2045	240,000	83,200	323,200
2046	260,000	73,600	333,600
2047	270,000	63,200	333,200
2048	285,000	52,400	337,400
2049	295,000	41,000	336,000
2050	315,000	29,200	344,200
2051	415,000	16,600	431,600
	<u>\$ 5,485,000</u>	<u>\$ 3,327,083</u>	<u>\$ 8,812,083</u>

This information is an integral part of the accompanying forecasted budget.