RESOLUTION
GARDENS AT NORTH CAREFREE METROPOLITAN DISTRICT

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES, ADOPTING A BUDGET, AND APPROPRIATING SUMS OF MONEY TO THE FUNDS AND IN THE AMOUNTS SET FORTH HEREIN FOR THE GARDENS AT NORTH CAREFREE METROPOLITAN DISTRICT (THE "DISTRICT"), EL PASO COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2025 AND ENDING ON THE LAST DAY OF DECEMBER 2025 AND AMENDING THE 2024 BUDGET.

WHEREAS, the Board of Directors of the District has authorized its consultants to prepare and submit a proposed budget to said governing body at the proper time;

WHEREAS, the proposed budget has been submitted to the Board of Directors of the District for its consideration;

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held November 13, 2024 and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, those increases having been made in the expenditures throughout 2024, have been added to the revenues ensuring the budget remains in balance, as required by law.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF GARDENS AT NORTH CAREFREE METROPOLITAN DISTRICT, EL PASO COUNTY, A POLITICAL SUBDIVISION OF THE STATE OF COLORADO:

Section 1. Budget Revenues. That the estimated revenues for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 2. Budget Expenditures. That estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 3. Adoption of Budget. That the budget as submitted and attached and incorporated herein by this reference, and if amended, then as amended, is hereby approved and adopted as the budget of District for the year stated above, and the 2024 budget as amended is adopted.

Section 4. Levy of General Property Taxes. That the foregoing budget indicates the amount of money necessary to balance the budget for general operating expenses is $16,765 and the amount of money necessary to balance the budget for bonds is $67,060. The assessed valuation as certified is $1,676,510.

Section 5. Mill Levy. That for the purpose of meeting all expenses of operations of the District

for the budget year there is hereby levied a tax of 10 mills upon each dollar of the total valuation of assessment of all taxable property in the District. That for the purpose of meeting all expenses of bonds and interest of the District for the budget year there is hereby levied a tax of 40 mills upon each dollar of the total valuation of assessment of all taxable property in the District.

Section 6. Property Tax and Fiscal Year Spending Limits. That, being fully informed, the Board finds that the foregoing budget does not result in a violation of any applicable property tax or fiscal year spending limitation.

Section 7. Certification. The District's agents are hereby authorized and directed to immediately certify to the County Commissioners of El Paso County, Colorado the mill levies for the District hereinabove determined and set.

Section 8. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenues of each fund, to each fund, for the purposes stated and no other.

ADOPTED AND APPROVED this 13th day of November 2024.

DISTRICT
BOARD OF DIRECTORS

By: Ronald J. Covington
Ronald J. Covington (Jan 27, 2025 15:56 MST)

ATTEST:

Grace Covington
Grace Covington (Jan 27, 2025 15:58 MST)
Secretary

**GARDENS AT NORTH CAREFREE**
**2025 BUDGET**

**GENERAL FUND**

| | 2023 ACTUAL | 2024 Actual | 2024 AMENDED | 2024 BUDGET | 2025 BUDGET |
|---|---|---|---|---|---|
| **GENERAL FUND BEGINNING BALANCE** | **6,715** | **0** | **0** | **-** | **1,330** |
| REVENUES | | | | | |
| PROPERTY TAXES - O&M | $ 11,209 | $ 16,474 | $ 16,474 | $ 16,313 | $ 16,765 |
| SPECIFIC OWNERSHIP TAXES - O&M | $ 1,172 | $ 1,531 | $ 1,142 | $ 1,142 | $ 1,174 |
| DELINQUENT INTEREST | $ 6 | $ 1 | $ - | $ - | $ - |
| DEVELOPER ADVANCE | $ - | $ 63,922 | $ 38,768 | $ - | $ 25,000 |
| O&M FEES | $ - | $ - | $ - | $ - | $ 33,600 |
| OTHER INCOME | $ - | $ - | $ - | $ - | $ - |
| TOTAL REVENUES | $ 12,386 | $ 81,928 | $ 56,384 | $ 17,455 | $ 76,539 |
| TOTAL REVENUES AND FUND BALANCE | $ 19,101 | $ 81,928 | $ 56,384 | $ 17,455 | $ 77,869 |
| EXPENDITURES | | | | | |
| GENERAL AND ADMINISTRATIVE | | | | | |
| BANK FEES | $ - | $ 5 | $ 5 | $ - | $ 50 |
| COUNTY TREASURERS FEE | $ 168 | $ 247 | $ 247 | $ 245 | $ 251 |
| DISTRICT MANAGEMENT/ACCOUNTING | $ 8,878 | $ 12,034 | $ 12,000 | $ 12,000 | $ 12,000 |
| DUES - SDA | $ 193 | | $ 700 | $ 700 | $ 616 |
| ELECTION | $ 293 | $ 55 | $ - | $ - | $ 4,000 |
| INSURANCE | $ 5,947 | $ 5,561 | $ - | $ 1,000 | $ 6,392 |
| LEGAL | $ 9,027 | $ 5,164 | $ 10,000 | $ 10,000 | $ 5,000 |
| MISCELLANELOUS | $ - | $ 144 | $ 144 | $ - | $ - |
| OFFICE EXPENSE | $ - | $ 384 | $ 12 | $ - | $ 50 |
| POSTAGE & Printing | $ 83 | | $ 500 | $ 200 | $ 800 |
| OPERATIONS AND MAINTENANCE | | | | | |
| REPAIRS & MAINTENANCE | $ - | $ 1,927 | $ 4,000 | $ 4,000 | $ 4,000 |
| IRRIGATION | $ - | $ 6,561 | $ 5,500 | $ - | $ 5,000 |
| WINTER WATERING | $ - | $ 420 | $ 951 | $ - | $ 1,000 |
| LANDSCAPING | $ 27,373 | $ 12,353 | $ 11,000 | $ 11,000 | $ 12,000 |
| SNOW REMOVAL | $ - | $ - | $ - | $ 5,000 | $ 5,000 |
| UTILITIES | $ 8,635 | $ 17,263 | $ 10,000 | $ 10,000 | $ 9,000 |
| LANDSCAPE IMPROVEMENTS | $ - | $ - | $ - | $ - | $ 8,000 |

| | | | | | |
|---|---|---|---|---|---|
| DETENTION POND MAINTENANCE | $ - | $ - | $ - | $ 4,000 | $ 4,000 |
| TOTAL EXPENDITURES | $ 60,597 | $ 62,118 | $ 55,059 | $ 58,145 | $ 77,159 |
| TRANSFER IN DEBT SERVICE FUND | $ 41,496 | $ - | $ - | $ 38,768 | $ - |
| PAYBACK DEVELOPER ADVANCE | $ - | $ - | $ - | $ - | $ - |
| **ENDING FUND BALANCE** | **$ 0** | **$ 19,810** | **$ 1,325** | **$ (1,921)** | **$ 709** |
| EMERGENCY RESERVE: State Required 3% | $ 1,818 | $ 1,864 | $ 1,652 | $ 1,744 | $ 2,315 |
| ASSESSED VALUATION | 1,120,850 | 1,631,340 | 1,631,340 | 1,631,340 | 1,676,510 |
| MILL LEVY | 10.000 | 10.000 | 10.000 | 10.000 | 10.000 |

**GARDEN AT NORTH CAREFREE**
**2023 AMENDED AND 2024 BUDGET**
**DEBT SERVICE FUND**

| | 2023 ACTUAL | 2024 ACTUAL | 2024 AMENDED | 2024 BUDGET | 2025 BUDGET |
|---|---|---|---|---|---|
| **DEBT SERVICE FUND BEGINNING BALANCE** | **$ 25,487** | **$ 6,819** | **$ 6,819** | **$ 6,819** | **$ 7,376** |
| REVENUES | | | | | |
| PROPERTY TAXES - DEBT | $ 44,834 | $ 65,894 | $ 65,894 | $ 65,254 | $ 67,060 |
| SPECIFIC OWNERSHIP TAXES - DEBT | $ 4,688 | $ 6,126 | $ 4,568 | $ 4,568 | $ 4,694 |
| DELINQUENT INTEREST | $ 22 | $ 4 | $ 5 | $ - | $ - |
| TOTAL REVENUES | $ 49,544 | $ 72,024 | $ 70,467 | $ 69,821 | $ 71,755 |
| TOTAL REVENUES AND FUND BALANCE | $ 75,031 | $ 78,843 | $ 77,286 | $ 76,640 | $ 79,131 |
| EXPENDITURES | | | | | |
| CONTRACTUAL OBLIGATIONS | $ 26,043 | $ - | $ - | $ 40,000 | $ - |
| INTEREST EXPENSE | $ - | $ 63,922 | $ 63,922 | $ - | $ 78,125 |
| COST OF ISSUANCE | $ - | $ 5,000 | $ 5,000 | $ - | $ - |
| COUNTY TREASURERS FEE | $ 673 | $ 988 | $ 988 | $ 979 | $ 1,006 |
| TOTAL EXPENDITURES | $ 26,716 | $ 69,910 | $ 69,910 | $ 40,979 | $ 79,131 |
| TRANSFER OUT TO GENERAL FUND | $ 41,496 | $ - | $ - | $ 38,768 | $ - |
| **ENDING FUND BALANCE** | **$ 6,819** | **$ 8,933** | **$ 7,376** | **$ (3,106)** | **$ -** |
| ASSESSED VALUATION | 1,120,850 | 1,631,340 | 1,631,340 | 1,631,340 | 1,676,510 |
| MILL LEVY | 40.000 | 40.000 | 40.000 | 40.000 | 40.000 |

**EXHIBIT A**

**BUDGET DOCUMENT**
**BUDGET MESSAGE**

# BUDGET MESSAGE

(Pursuant to § 29-1-103(1) (e), C.R.S.)

Gardens at North Carefree Metropolitan District

The attached 2025 Budget for Gardens at North Carefree Metropolitan District includes these important features:

- The primary source of revenue for the district are tax revenues and fees.
- Payment of debt service obligations, operations and maintenance.

The Budgetary basis of accounting timing measurement method used is:

[ ] Cash basis
[X] Modified accrual basis
[ ] Encumbrance basis
[ ] Accrual basis

The District uses funds to budget and report on the financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions. The various funds determine the total District budget. All of the district's funds are considered Governmental Funds and are reported using the current financial resources and the modified accrual basis of accounting. Revenues are recognized when they are measurable and available. Revenues are considered available when they are collectible within the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures, other than the interest on long term obligations, are recorded when the liability is incurred, or the long-term obligation is paid.

The services to be provided/ delivered during the budget year are the following:

- Contracted legal and management services including state required reporting, financial and accounting reports, billing and other services.
- Facilitate repayment of debt for the District.
- Provide landscape maintenance services for public tracts.
- Facilitate architectural review and Covenant compliance.

205698

# AFFIDAVIT OF PUBLICATION

STATE OF COLORADO
COUNTY OF El Paso

I, Lorre Cosgrove, being first duly sworn, deposes and says that she is the Legal Sales Representative of The Colorado Springs Gazette, LLC., a corporation, the publishers of a daily/weekly public newspapers, which is printed and published daily/weekly in whole in the County of El Paso, and the State of Colorado, and which is called Colorado Springs Gazette; that a notice of which the annexed is an exact copy, cut from said newspaper, was published in the regular and entire editions of said newspaper **1 time(s) to wit 10/17/2024**

That said newspaper has been published continuously and uninterruptedly in said County of El Paso for a period of at least six consecutive months next prior to the first issue thereof containing this notice; that said newspaper has a general circulation and that it has been admitted to the United States mails as second-class matter under the provisions of the Act of March 3, 1879 and any amendment thereof, and is a newspaper duly qualified for the printing of legal notices and advertisement within the meaning of the laws of the State of Colorado.

Lorre Cosgrove

**Lorre Cosgrove**
**Sales Center Agent**

Subscribed and sworn to me this 10/17/2024, at said City of Colorado Springs, El Paso County, Colorado.
My commission expires June 23, 2026.

Karen Hogan

**Karen Hogan**
**Notary Public**

KAREN HOGAN
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20224024441
MY COMMISSION EXPIRES 06/23/2026

Document Authentication Number
20224024441-791782

**PUBLIC NOTICE**

**NOTICE OF BUDGET HEARING**

**GARDENS AT NORTH CAREFREE METROPOLITAN DISTRICT**

NOTICE IS HEREBY GIVEN THAT THE PROPOSED BUDGET FOR 2025 AND AMENDED BUDGET FOR 2024 WILL BE PRESENTED TO THE BOARD OF DIRECTORS OF THE GARDENS AT NORTH CAREFREE METROPOLITAN DISTRICT AND THAT THE SAME HAS BEEN SCHEDULED FOR A PUBLIC HEARING TO BE HELD ON WEDNESDAY, NOVEMBER 14, 2024, AT 9:00 A.M. AT THE OFFICES OF COVINGTON HOMES, 13737 STRUTHERS ROAD, SUITE 201, COLORADO SPRINGS, CO 80921. ON OR AFTER OCTOBER 15, 2024 THE PROPOSED BUDGETS ARE OPEN AND AVAILABLE FOR INSPECTION AT THE OFFICES OF WALKER SCHOOLER DISTIRCT MANAGER, 614 N. TEJON STREET, COLORADO SPRINGS, COLORAD 80903. ANY INTERESTED ELECTOR OF THE DISTRICT MAY FILE OBJECTIONS TO THE PROPOSED BUDGET AT ANY TIME PRIOR TO THE FINAL ADOPTION OF THE BUDGET. THIS MEETING MAY BE CONTINUED. ALL MEETINGS ARE OPEN TO THE PUBLIC.

FOLLOWING THE REGULAR MEETING THE BOARD OF DIRECTORS WILL HOLD THE ANNUAL MEETING FOR A PRESENTATION OF THE STATUS OF PROJECTS.

RON COVINGTON, PRESIDENT

Published in The Gazette October 17, 2024.

DOLA LGID/SID 65928 /

397 County Tax Entity Code

# CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

**TO:** County Commissioners[1] of EL PASO COUNTY, Colorado.

**On** behalf of the GARDENS AT NORTH CAREFREE METROPOLITAN DISTRICT, (taxing entity)[A]

the BOARD OF DIRECTORS (governing body)[B]

of the GARDENS AT NORTH CAREFREE METROPOLITAN DISTRICT (local government)[C]

**Hereby** officially certifies the following mills to be levied against the taxing entity's GROSS assessed valuation of: $ 1,676,510 (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: $ _____ (NET[G] assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)

**Submitted:** 12/11/2024 (mm/dd/yyyy) for budget/fiscal year 2025 (yyyy).
(not later than Dec. 15)

| PURPOSE (see end notes for definitions and examples) | LEVY[2] | | REVENUE[2] |
|---|---|---|---|
| 1. General Operating Expenses[H] | 10.000 | mills | $ 16,765 |
| 2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction[I] | < > | mills | $ < > |
| **SUBTOTAL FOR GENERAL OPERATING:** | 10.000 | **mills** | **$16,765** |
| 3. General Obligation Bonds and Interest[J] | 40.000 | mills | $67.060 |
| 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] | 50.000 | **mills** | **$83,825** |

Contact person: (print) Peter M. Susemihl Daytime phone: (719)-579-6500

Signed: Peter M. Susemihl Title: Attorney

*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) 866-2156.*

[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).



Form DLG 70 (rev 7/08)

## 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:

1. Purpose of Issue: Public infrastructure costs
   Series: $2,960,56
   Date of Issue: November 1, 2023
   Coupon Rate: 8.5%
   Maturity Date: 12/1/2052
   Levy: 40 mills
   Revenue: $67,060

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

### CONTRACTS:

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.

**Mill Levy Public Information**
Pursuant to § 39-1-125, C.R.S.

Counties can ask local governments to submit this form to the county by December 15th pursuant to § 39-1-125(1)(c), C.R.S., Local governments, please verify with the county whether they would like you to use this form or a different process to provide this information.

**Taxing Entity Information**

Taxing Entity: Gardens at North Carefree Metropolitan District
County: El Paso
DOLA Local Government ID Number: 65928
Subdistrict Number (if applicable):
Budget/Fiscal Year: 2025

**Mill Levy Information**

1. Mill Levy Name or Purpose: Contractual Obligations
2. Mill Levy Rate (Mills) : 40
3. Previous Year Mill Levy Rate (Mills) : 40
4. Previous Year Mill Levy Revenue Collected : $65894.12
5. Mill Levy Maximum Without Further Voter Approval: 40
6. Allowable Annual Growth in Mill Levy Revenue : Infinite
7. Actual Growth in Mill Levy Revenue Over the Prior Year: 1166
8. Is revenue from this mill levy allowed to be retained and spent as a voter-approved revenue change pursuant to section 20 (7)(b) of Article X of the State Constitution (TABOR)? Yes
9. Is revenue from this mill levy subject to the Statutory Property Tax (5.5%) Limit in § 29-1-301, C.R.S.? No
10. Is revenue from this mill levy subject to any other limit on annual revenue growth enacted by the local government or another local government? No
11. Does the mill levy need to be adjusted or does a temporary mill levy reduction need to be used in order to collect a certain amount of revenue? If "Yes", what is the amount? No

12. Other or additional information:

**Contact Information**

Contact Person: Sue Gonzales
Title: CPA
Phone: 719-447-1803
Email: sue.g@wsdistricts.co

**Mill Levy Public Information**
Pursuant to § 39-1-125, C.R.S.

Counties can ask local governments to submit this form to the county by December 15th pursuant to § 39-1-125(1)(c), C.R.S., Local governments, please verify with the county whether they would like you to use this form or a different process to provide this information.

**Taxing Entity Information**

Taxing Entity: Gardens at North Carefree Metropolitan District
County: El Paso
DOLA Local Government ID Number: 65928
Subdistrict Number (if applicable):
Budget/Fiscal Year: 2025

**Mill Levy Information**

1. Mill Levy Name or Purpose: General Operating
2. Mill Levy Rate (Mills) : 10
3. Previous Year Mill Levy Rate (Mills) : 10
4. Previous Year Mill Levy Revenue Collected : $16473.53
5. Mill Levy Maximum Without Further Voter Approval: 10
6. Allowable Annual Growth in Mill Levy Revenue : 5.25%
7. Actual Growth in Mill Levy Revenue Over the Prior Year: 291
8. Is revenue from this mill levy allowed to be retained and spent as a voter-approved revenue change pursuant to section 20 (7)(b) of Article X of the State Constitution (TABOR)? Yes
9. Is revenue from this mill levy subject to the Statutory Property Tax (5.5%) Limit in § 29-1-301, C.R.S.? No
10. Is revenue from this mill levy subject to any other limit on annual revenue growth enacted by the local government or another local government? No
11. Does the mill levy need to be adjusted or does a temporary mill levy reduction need to be used in order to collect a certain amount of revenue? If "Yes", what is the amount? No

12. Other or additional information:

**Contact Information**

Contact Person: Sue Gonzales
Title: CPA
Phone: 719-447-1802
Email: sue.g@wsdistricts.co

# 2025 Budget Resolution

Final Audit Report 2025-01-27

| | |
|---|---|
| Created: | 2025-01-27 |
| By: | Heather Smith (heather.s@wsdistricts.co) |
| Status: | Signed |
| Transaction ID: | CBJCHBCAABAAqtzc7dll_U7zltUtFvDp7PrFhaGXaC-H |

## "2025 Budget Resolution" History

Document created by Heather Smith (heather.s@wsdistricts.co)
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Signer Ron Covington (rcovington@covingtonhomesco.com) entered name at signing as Ronald J. Covington
2025-01-27 - 10:56:03 PM GMT

Document e-signed by Ronald J. Covington (rcovington@covingtonhomesco.com)
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2025-01-27 - 10:58:27 PM GMT

Document e-signed by Grace Covington (grace@covingtonhomesco.com)
Signature Date: 2025-01-27 - 10:58:44 PM GMT - Time Source: server

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Adobe Acrobat Sign