

**RESOLUTION**  
**ADOPTING BUDGET, APPROPRIATING FUNDS AND CERTIFYING MILL LEVIES**  
**FOR THE CALENDAR YEAR 2023**

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The Board of Directors of Canyon Creek Metropolitan District No. 1 (the “**Board**”), City of Colorado Springs, El Paso County, Colorado (the “**District**”), held a regular meeting, via teleconference on December 7, 2022, at the hour of 10:00 a.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.

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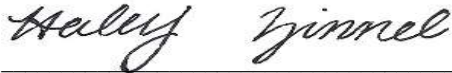
NOTICE AS TO PROPOSED 2023 BUDGET

# AFFIDAVIT OF PUBLICATION

STATE OF COLORADO  
COUNTY OF El Paso

I, Haley Zinnel, being first duly sworn, deposes and says that he 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 12/03/2022**

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.



Haley Zinnel  
Sales Center Agent

Subscribed and sworn to me this 12/05/2022, at said City of Colorado Springs, El Paso County, Colorado.  
My commission expires June 23, 2026.



Karen Hogan  
Notary Public  
The Gazette

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

Document Authentication Number  
20224024441-428813

**NOTICE OF PUBLIC HEARING ON THE AMENDED 2022 BUDGETS AND NOTICE OF PUBLIC HEARING ON THE PROPOSED 2023 BUDGETS**

NOTICE IS HEREBY GIVEN that the Boards of Directors (collectively the "Boards") of the CANYON CREEK METROPOLITAN DISTRICT NOS. 1 AND 3 (collectively the "Districts"), will hold a meeting at via teleconference on December 7, 2022 at 10:00 a.m., for the purpose of conducting such business as may come before the Boards including a public hearing on the 2023 proposed budgets (the "Proposed Budgets"). The necessity may also arise for an amendment to the 2022 budgets (the "Amended Budgets"). This meeting can be joined using the following teleconference information:

<https://us06web.zoom.us/j/83821691935>;  
Meeting ID: 838 2169 1935; Call-In: 720-707-269

NOTICE IS FURTHER GIVEN that the Proposed Budgets and Amended Budgets (if applicable) have been submitted to the Districts. A copy of the Proposed Budgets and Amended Budgets are on file in the office of CliftonLarsonAllen, LLP, 8390 E Crescent Pkwy #300, Englewood, CO 80111, where the same are open for public inspection.

Any interested elector of the Districts may file any objections to the Proposed Budgets and Amended Budgets at any time prior to final adoption of the Proposed Budgets or the Amended Budgets by the Boards. 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:  
**CANYON CREEK METROPOLITAN DISTRICT NOS. 1 AND 3**, a quasi-municipal corporation and political subdivision of the State of Colorado

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

Published in The Gazette December 3, 2022.

WHEREAS, the Board has designated 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 and interested electors were given the opportunity to register their protest to the proposed budget prior to the 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 0.000 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 0.000 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 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 6. Mill Levy Adjustment. When developing the attached budget, consideration was given to any changes in the method of calculating assessed valuation, including any changes to the assessment ratios, or any constitutionally mandated tax credit, cut or abatement, as authorized in the District's service plan. The Board hereby determines in good faith (such determination to be binding and final), that to the extent possible, the adjustments to the mill levies made to account for changes in Colorado law described in the prior sentence, and the actual tax revenues generated by the mill levies, are neither diminished nor enhanced as a result of those changes.

Section 7. 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 8. Appropriations. The amounts set forth as expenditures in the budget attached hereto are hereby appropriated.

Section 9. 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 10. 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 DECEMBER 7, 2022.

**DISTRICT:**

**CANYON CREEK METROPOLITAN DISTRICT NO. 1**, a quasi-municipal corporation and political subdivision of the State of Colorado


By:   
kenneth.kurica (Jan 30, 2023 18:47 MST)  
Officer of the District

Attest:

By:   
MARK MORLEY (Jan 31, 2023 11:54 MST)

**APPROVED AS TO FORM:**


WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys at Law

  
General Counsel to the District

STATE OF COLORADO  
COUNTY OF EL PASO  
CANYON CREEK METROPOLITAN DISTRICT NO. 1

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 December 7, 2022, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this \_\_\_\_ day of December 2022.

  
MARK MORLEY (Jan 31, 2023 11:54 MST)

**EXHIBIT A**  
**BUDGET DOCUMENT**  
**BUDGET MESSAGE**

**CANYON CREEK METROPOLITAN  
DISTRICT NO. 1**

**ANNUAL BUDGET**

**FOR THE YEAR ENDING DECEMBER 31, 2023**



**CANYON CREEK METROPOLITAN DISTRICT NO. 1  
SUMMARY  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

12/6/22

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ (13,072)	\$ 17,329	\$ 1,936
REVENUE			
Developer advance	56,000	45,000	62,133
Transfer from district 2	9,300	15,045	3,014,625
Transfer from district 3	10,343	11,907	11,106
Total revenue	<u>75,643</u>	<u>71,952</u>	<u>3,087,864</u>
TRANSFERS IN	<u>2,693</u>	-	-
Total funds available	<u>65,264</u>	<u>89,281</u>	<u>3,089,800</u>
EXPENDITURES			
General Fund	42,549	87,345	89,000
Capital Projects Fund	2,693	-	3,000,000
Total expenditures	<u>45,242</u>	<u>87,345</u>	<u>3,089,000</u>
TRANSFERS OUT	<u>2,693</u>	-	-
Total expenditures and transfers out requiring appropriation	<u>47,935</u>	<u>87,345</u>	<u>3,089,000</u>
ENDING FUND BALANCES	<u>\$ 17,329</u>	<u>\$ 1,936</u>	<u>\$ 800</u>
EMERGENCY RESERVE	<u>\$ 600</u>	<u>\$ 900</u>	<u>\$ 800</u>
TOTAL RESERVE	<u><u>\$ 600</u></u>	<u><u>\$ 900</u></u>	<u><u>\$ 800</u></u>

No assurance is provided. See summary of significant assumptions.

**Canyon Creek Metropolitan District No. 1  
PROPERTY TAX SUMMARY INFORMATION  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

12/6/22

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
<b>ASSESSED VALUATION</b>			
Vacant land	14,790	17,280	17,280
	14,790	17,280	17,280
Adjustments	(1,200)	(2,200)	(3,120)
Certified Assessed Value	\$ 13,590	\$ 15,080	\$ 14,160
 <b>MILL LEVY</b>			
General	0.000	0.000	0.000
Debt Service	0.000	0.000	0.000
Total mill levy	0.000	0.000	0.000
 <b>PROPERTY TAXES</b>			
General	\$ -	\$ -	\$ -
Debt Service	-	-	-
Levied property taxes	-	-	-
Budgeted property taxes	\$ -	\$ -	\$ -
 <b>BUDGETED PROPERTY TAXES</b>			
General	\$ -	\$ -	\$ -
Debt Service	-	-	-
ARI	-	-	-
	\$ -	\$ -	\$ -

No assurance is provided. See summary of significant assumptions.

**CANYON CREEK METROPOLITAN DISTRICT NO. 1  
GENERAL FUND  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

12/6/22

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ (13,072)	\$ 17,329	\$ 1,936
REVENUE			
Developer advance	56,000	45,000	62,133
Transfer From District 2	9,300	15,045	14,625
Transfer From District 3	10,343	11,907	11,106
Total revenue	<u>75,643</u>	<u>71,952</u>	<u>87,864</u>
Total funds available	<u>62,571</u>	<u>89,281</u>	<u>89,800</u>
EXPENDITURES			
General and administrative			
Accounting	26,976	17,500	20,000
Auditing	-	-	-
Dues and licenses	1,866	838	1,000
Insurance and bonds	750	17,212	10,000
Legal services	12,957	15,000	17,000
Miscellaneous	-	1,000	-
Banking fees	-	150	200
Election expense	-	2,395	3,500
Contingency	-	-	4,050
Website	-	750	750
Operations and maintenance			
Landscaping	-	15,000	15,000
Snow Removal	-	10,000	10,000
Utilities	-	7,500	7,500
Total expenditures	<u>42,549</u>	<u>87,345</u>	<u>89,000</u>
TRANSFERS OUT			
Transfers to other fund	<u>2,693</u>	<u>-</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>45,242</u>	<u>87,345</u>	<u>89,000</u>
ENDING FUND BALANCE	<u>\$ 17,329</u>	<u>\$ 1,936</u>	<u>\$ 800</u>
EMERGENCY RESERVE	<u>\$ 600</u>	<u>\$ 900</u>	<u>\$ 800</u>
TOTAL RESERVE	<u>\$ 600</u>	<u>\$ 900</u>	<u>\$ 800</u>

No assurance is provided. See summary of significant assumptions.

**CANYON CREEK METROPOLITAN DISTRICT NO. 1  
 CAPITAL PROJECTS FUND  
 2023 BUDGET  
 WITH 2021 ACTUAL AND 2022 ESTIMATED  
 For the Years Ended and Ending December 31,**

12/6/22

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
REVENUE			
Transfer From District 2	-	-	3,000,000
Total revenue	<u>-</u>	<u>-</u>	<u>3,000,000</u>
TRANSFERS IN			
Transfers from other funds	<u>2,693</u>	<u>-</u>	<u>-</u>
Total funds available	<u>2,693</u>	<u>-</u>	<u>3,000,000</u>
EXPENDITURES			
Capital Projects			
Accounting	2,693	-	-
Capital outlay	-	-	3,000,000
Total expenditures	<u>2,693</u>	<u>-</u>	<u>3,000,000</u>
Total expenditures and transfers out requiring appropriation	<u>2,693</u>	<u>-</u>	<u>3,000,000</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance is provided. See summary of significant assumptions.

**CANYON CREEK METROPOLITAN DISTRICT NO. 1  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

Canyon Creek Metropolitan District No.1 (the “District”) and Canyon Creek Metropolitan District No 2 and Canyon Creek Metropolitan District No.3 (collectively, the “Districts”) were formed under the Consolidated Service Plan approved by the City of Colorado Springs (the “City”) on November 4, 2008. The Service Plan was approved by the City Council of the City of Colorado Springs on October 14, 2008.

The Districts’ service area is located entirely within the City of Colorado Springs, El Paso County, Colorado. The District was organized to provide financing and construction for the street improvements and drainage with safety protection, portable water and wastewater system, mosquito control, limited covenant enforcement, parks and open space, transportation system, and the operation and maintenance of the District.

The Districts, collectively, are undertaking the financing and construction of the Public Improvements. The nature of the functions and services to be provided by each District are clarified in an IGA between and among the Districts. The maximum term of such IGA is forty (40) years from its effective date. Such agreements are design to help assure the orderly development of the Public Improvements and essential services in accordance with the requirements of the Service Plan.

District voters approved authorization to increase property taxes up to \$3,000,000 annually, as necessary, to pay for the operations and maintenance expenditures of the District. Debt authorization was approved in the amount of \$20,000,000 for the execution of the Agreement and \$148,000,000 for repayment cost. The election also allows the District to retain all revenues without regard to the limitations contained in Article X, Section 20, of the Colorado constitution or any other law.

Pursuant to the District’s Service Plan, the amount of debt that can be issued is \$75,000,000 in Limited Tax General Obligation Bonds. Mill levies for debt are capped at 30 mills and operating and maintenance is capped at 10 mills. The total cap is 40 mills, the method of calculating assessed valuation may cause adjustments in the mill levies. All Debt will be repaid by taxes imposed and collected for no longer than the Maximum Debt Mill Levy for all Districts.

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 the 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.

**CANYON CREEK METROPOLITAN DISTRICT NO. 1  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues**

**Developer Advance**

The District is in the development stage. A major portion of the operations and administrative costs are expected 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.

**Transfer from Other Districts**

The District anticipates the collection of taxes in Districts Nos. 2 and 3, which will be transferred to fund operations and capital project expenditures of District No. 1.

**Expenditures**

**Administrative and Operating Expenditures**

Administrative and operating 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.

**Capital Outlay**

The District anticipates infrastructure improvements as noted in the Capital Projects fund.

**Debt and Leases**

The District has no operating and capital leases.

The District has outstanding Developer advances. The anticipated Developer advances are as follows:

**CANYON CREEK METROPOLITAN DISTRICT NO. 1  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debt and Leases – (continued)**

**General Fund**

	Balance - December 31, 2021	Additions	Reductions	Balance - December 31, 2022	Additions	Reductions	Balance - December 31, 2023
Developer Advances:							
Principal	\$ 215,228	\$ 45,000	\$ -	\$ 260,228	\$ 62,133	\$ -	\$ 322,361
Interest	36,679	19,018	-	55,697	23,304	-	79,001
Total	<u>\$ 251,907</u>	<u>\$ 64,018</u>	<u>\$ -</u>	<u>\$ 315,926</u>	<u>\$ 85,437</u>	<u>\$ -</u>	<u>\$ 401,362</u>

**Capital Projects Fund**

	Balance - December 31, 2021	Additions	Reductions	Balance - December 31, 2022	Additions	Reductions	Balance - December 31, 2023
Developer Advances:							
Principal	\$ 1,789	\$ -	\$ -	\$ 1,789	\$ -	\$ -	\$ 1,789
Interest	343	143	-	486	143	-	629
Total	<u>\$ 2,132</u>	<u>\$ 143</u>	<u>\$ -</u>	<u>\$ 2,275</u>	<u>\$ 143</u>	<u>\$ -</u>	<u>\$ 2,418</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.**