CANYON CREEK METROPOLITAN DISTRICT NOS. 1-3
2022 CONSOLIDATED ANNUAL REPORT

Pursuant to the Consolidated Service Plan for Canyon Creek Metropolitan District Nos. 1-3 (the "**Districts**") and 32-1-207(3)(c) C.R.S., the Districts are required to provide an annual report to the City of Colorado Springs with regard to the following matters:

To the best of our actual knowledge, for the year ending December 31, 2022, the Districts make the following report:

1. Boundary changes made or proposed to the Districts' boundary as of December 31st of the prior year.

   There were no changes made or proposed to the boundaries of the Districts in 2022.

2. Intergovernmental agreements with other governmental entities, either entered into or proposed, as of December 31st of the prior year.

   The Districts did not enter into any intergovernmental agreements in 2022.

3. Access information to obtain copies of the Districts' rules and regulations, if any, as of December 31st of the prior year.

   The Districts have not adopted any rules and regulations as of December 31, 2022. Governing documents may be found on the Districts' website: www.canyoncreekmetrodistricts.com

4. A summary of any litigation which involves the Districts' Public Improvements as of December 31 of the prior year.

   To our actual knowledge, based on review of the court records in El Paso County, Colorado and the Public Access to Court Electronic Records (PACER), there is no litigation involving the Districts as of December 31, 2022.

5. Status of the Districts' construction of the Public Improvements as of December 31st of the prior year

   The Districts did not construct improvements in 2022.

6. A list of all facilities and improvements constructed by the Districts that have been dedicated to and accepted by the City as of December 31st of the prior year.

   The Districts did not construct any improvements in 2022.

7. The assessed valuation of the Districts for the report year.

   The 2022 assessed valuations for the Districts are as follows:

   District No. 1: $14,160 (net)
   District No. 2: $1,171,480 (net)
   District No. 3: $1,012,190 (net)

8. Current year budget, including a description of the Public Improvements to be constructed in such year.

   Copies of the Districts' 2023 Adopted Budgets are attached as **Exhibit A**.

9. Audit of the Districts' financial statements, for the year ending December 31st of the previous year, prepared in accordance with generally accepted accounting principles or audit exemption, if applicable.

   The Districts are currently exempt from audit. The 2022 audit exemption applications are attached as **Exhibit B.**

10. Notice of any uncured events of noncompliance by the Districts under any Debt instrument which continue beyond a 90-day period.

    None.

11. Any inability of the Districts to pay their obligations as they come due, in accordance with the terms of such obligations, which continue beyond a 90-day period.

    None.

12. Copies of any Certifications of an External Financial Advisor provided as required by the Privately Placed Debt Limitation provision.

    Not applicable.

EXHIBIT A

2023 Budgets

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

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

156587

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

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

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	75,643	71,952	3,087,864
TRANSFERS IN	2,693	-	-
Total funds available	65,264	89,281	3,089,800
EXPENDITURES			
General Fund	42,549	87,345	89,000
Capital Projects Fund	2,693	-	3,000,000
Total expenditures	45,242	87,345	3,089,000
TRANSFERS OUT	2,693	-	-
Total expenditures and transfers out requiring appropriation	47,935	87,345	3,089,000
ENDING FUND BALANCES	$ 17,329	$ 1,936	$ 800
EMERGENCY RESERVE	$ 600	$ 900	$ 800
TOTAL RESERVE	$ 600	$ 900	$ 800

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
ASSESSED VALUATION			
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
MILL LEVY			
General	0.000	0.000	0.000
Debt Service	0.000	0.000	0.000
Total mill levy	0.000	0.000	0.000
PROPERTY TAXES			
General	$ -	$ -	$ -
Debt Service	-	-	-
Levied property taxes	-	-	-
Budgeted property taxes	$ -	$ -	$ -
BUDGETED PROPERTY TAXES			
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	75,643	71,952	87,864
Total funds available	62,571	89,281	89,800
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	42,549	87,345	89,000
TRANSFERS OUT			
Transfers to other fund	2,693	-	-
Total expenditures and transfers out requiring appropriation	45,242	87,345	89,000
ENDING FUND BALANCE	$ 17,329	$ 1,936	$ 800
EMERGENCY RESERVE	$ 600	$ 900	$ 800
TOTAL RESERVE	$ 600	$ 900	$ 800

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	-	-	3,000,000
TRANSFERS IN			
Transfers from other funds	2,693	-	-
Total funds available	2,693	-	3,000,000
EXPENDITURES			
Capital Projects			
Accounting	2,693	-	-
Capital outlay	-	-	3,000,000
Total expenditures	2,693	-	3,000,000
Total expenditures and transfers out requiring appropriation	2,693	-	3,000,000
ENDING FUND BALANCE	$ -	$ -	$ -

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:

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	$ 251,907	$ 64,018	$ -	$ 315,926	$ 85,437	$ -	$ 401,362

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	$ 2,132	$ 143	$ -	$ 2,275	$ 143	$ -	$ 2,418

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.

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

The Board of Directors of Canyon Creek Metropolitan District No. 2 (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 1:30 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.

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NOTICE AS TO PROPOSED 2023 BUDGET

156585

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

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

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
20224024441-430054

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 Board of Directors (the "Board") of the CANYON CREEK METROPOLITAN DISTRICT NO. 2 (the "District"), will hold a meeting at via teleconference on December 7, 2022 at 1:30 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/82018480761; Meeting ID: 820 1848 0761; Call-In: 720-707-269

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 CliftonLarsonAllen, LLP, 8390 E Crescent Pkwy #300, Englewood, CO 80111, 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:
CANYON CREEK METROPOLITAN DISTRICT NO. 2, 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 11.377 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 34.133 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.

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ADOPTED DECEMBER 7, 2022.

DISTRICT:

CANYON CREEK METROPOLITAN DISTRICT NO. 2, a quasi-municipal corporation and political subdivision of the State of Colorado

By: Lisa Bolton (Feb 1, 2023 12:54 MST)
Officer of the District

Attest:

By: Kathy Guadagnoli (Dec 22, 2022 15:51 MST)

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

General Counsel to the District

Signature Page to Resolution Calling Election

EXHIBIT A

BUDGET DOCUMENT

BUDGET MESSAGE

CANYON CREEK METROPOLITAN DISTRICT NO. 2

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2023

CANYON CREEK METROPOLITAN DISTRICT NO. 2
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	$ -	$ -	$ -
REVENUE			
Property taxes	33,453	54,600	53,314
Specific ownership tax	4,250	6,282	6,504
Interest income	4	115	55
Developer advance	-	-	3,000,000
Other revenue	-	-	2,809
Total revenue	37,707	60,997	3,062,682
Total funds available	37,707	60,997	3,062,682
EXPENDITURES			
General Fund	9,426	15,250	16,246
Debt Service Fund	28,281	45,747	46,436
Capital Projects Fund	-	-	3,000,000
Total expenditures	37,707	60,997	3,062,682
Total expenditures and transfers out requiring appropriation	37,707	60,997	3,062,682
ENDING FUND BALANCES	$ -	$ -	$ -

No assurance is provided. See summary of significant assumptions.

CANYON CREEK METROPOLITAN DISTRICT NO. 2
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
ASSESSED VALUATION			
Residential			
Single Family	$ 627,960	$ 751,400	$ 1,060,650
Multi-Family	-	-	17,600
Commercial	-	-	90
Vacant land	184,730	653,260	350,860
	812,690	1,404,660	1,429,200
Adjustments	(65,850)	(178,580)	(257,720)
Certified Assessed Value	$ 746,840	$ 1,226,080	$ 1,171,480
MILL LEVY			
General	11.133	11.133	11.377
Debt Service	33.399	33.399	34.133
Total mill levy	44.532	44.532	45.510
PROPERTY TAXES			
General	$ 8,314	$ 13,650	$ 13,328
Debt Service	24,944	40,950	39,986
Levied property taxes	33,258	54,600	53,314
Adjustments to actual/rounding	195	-	-
Budgeted property taxes	$ 33,453	$ 54,600	$ 53,314
BUDGETED PROPERTY TAXES			
General	**$ 8,363**	**$ 13,650**	**$ 13,328**
Debt Service	**25,090**	**40,950**	**39,986**
	$ 33,453	**$ 54,600**	**$ 53,314**

No assurance is provided. See summary of significant assumptions.

CANYON CREEK METROPOLITAN DISTRICT NO. 2
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	$ -	$ -	$ -
REVENUE			
Property taxes	8,363	13,650	13,328
Specific ownership tax	1,062	1,570	1,626
Interest income	1	30	15
Other revenue	-	-	1,277
Total revenue	9,426	15,250	16,246
Total funds available	9,426	15,250	16,246
EXPENDITURES			
County Treasurer's fee	126	205	200
Contingency	-	-	1,277
Transfer to District 1	9,300	15,045	14,769
Total expenditures	9,426	15,250	16,246
Total expenditures and transfers out requiring appropriation	9,426	15,250	16,246
ENDING FUND BALANCE	$ -	$ -	$ -

No assurance is provided. See summary of significant assumptions.

CANYON CREEK METROPOLITAN DISTRICT NO. 2
DEBT SERVICE 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			
Property taxes	25,090	40,950	39,986
Specific ownership tax	3,188	4,712	4,878
Interest income	3	85	40
Other revenue	-	-	1,532
Total revenue	28,281	45,747	46,436
Total funds available	28,281	45,747	46,436
EXPENDITURES			
County Treasurer's fee	376	614	600
Transfer to CSURA	27,905	45,133	44,305
Contingency	-	-	1,532
Total expenditures	28,281	45,747	46,436
requiring appropriation	28,281	45,747	46,436
ENDING FUND BALANCE	$ -	$ -	$ -

No assurance is provided. See summary of significant assumptions.

CANYON CREEK METROPOLITAN DISTRICT NO. 2
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			
Developer advance	-	-	3,000,000
Total revenue	-	-	3,000,000
Total funds available	-	-	3,000,000
EXPENDITURES			
Transfer to District 1	-	-	3,000,000
Total expenditures	-	-	3,000,000
Total expenditures and transfers out requiring appropriation	-	-	3,000,000
ENDING FUND BALANCE	$ -	$ -	$ -

No assurance is provided. See summary of significant assumptions.

CANYON CREEK METROPOLITAN DISTRICT NO. 2
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

Canyon Creek Metropolitan District No.2 (the "District") and Canyon Creek Metropolitan District No 1 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. 2
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Revenues

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 sales 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. The mill levy has been adjusted for the change in the method of calculating residential assessed valuation.

Senate Bill 21-293 among other things, designates multi-family residential real property (defined generally, as property that is a multi-structure of four or more units) as a new subclass of residential real property. For tax collection year 2023, the assessment rate for single family residential property decreases to 6.95% from 7.15%. The rate for multifamily residential property, the newly created subclass, decreases to 6.80% from 7.15%. Agricultural and renewable energy production property decreases to 26.4% from 29.0%. Producing oil and gas remains at 87.5%. All other nonresidential property stays at 29%.

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.

Net Investment Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 1.5%.

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.

Expenditures – (continued)

County Treasurer's Fees

County Treasurer's collection fees have been computed at 1.5% of property taxes.

Transfer to Canyon Creek MD No.1

Transfer to Canyon Creek Metropolitan District (MD) No.1 is to provide funding for the overall administrative and operating costs, as well as capital infrastructure costs for the Districts.

Transfer to CSURA

In 2018, the Colorado Spring Urban Renewal Authority (CSURA) issued Bonds. Bond proceeds will be used to pay for South Nevada Ivywild Development Project.

Pursuant to an Agreement with CSURA, the District transfers pledged revenues from the Debt Service Fund for the payment of principal and interest on the CSURA 2018 Bonds.

Capital Outlay

The District plans to accept the costs of eligible public improvement costs paid for by the Developer, based on costs certified. The budgeted amounts are based on the estimate of those costs.

Debt and Leases

The District has no operating or capital leases.

Reserves

Emergency Reserve

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year spending. Since substantially all funds received by the District are transferred to Canyon Creek Metropolitan District No.1, which pays for all of the Districts' operations and maintenance costs, an Emergency Reserve is not reflected in the District's Budget.

This information is an integral part of the accompanying budget.

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

The Board of Directors of Canyon Creek Metropolitan District No. 3 (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

156587

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

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

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.

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: 720-707-2699

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, quasi-municipal corporations and political subdivisions of the State of Colorado

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

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 10.000 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 30.000 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.

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ADOPTED DECEMBER 7, 2022.

DISTRICT:

CANYON CREEK METROPOLITAN DISTRICT NO. 3, a quasi-municipal corporation and political subdivision of the State of Colorado

By: kenneth kurles (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. 3

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 7th day of December 2022.

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

EXHIBIT A

BUDGET DOCUMENT

BUDGET MESSAGE

CANYON CREEK METROPOLITAN DISTRICT NO. 3

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2023

CANYON CREEK METROPOLITAN DISTRICT NO. 3
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	$ -	$ -	$ -
REVENUE			
Property taxes	37,203	43,269	40,488
Specific ownership tax	4,722	4,980	4,940
Interest income	2	21	25
Other revenue	-	-	2,000
Total revenue	41,927	48,270	47,453
Total funds available	41,927	48,270	47,453
EXPENDITURES			
General Fund	10,483	12,069	12,367
Debt Service Fund	31,444	36,201	35,086
Total expenditures	41,927	48,270	47,453
Total expenditures and transfers out requiring appropriation	41,927	48,270	47,453
ENDING FUND BALANCES	$ -	$ -	$ -

No assurance is provided. See summary of significant assumptions.

CANYON CREEK METROPOLITAN DISTRICT NO. 3
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
ASSESSED VALUATION			
Residential	$ 9,960	$ -	$ -
Commercial	823,400	1,157,480	1,153,060
Vacant land	171,950	81,810	81,810
	1,005,310	1,239,290	1,234,870
Adjustments	(88,520)	(157,560)	(222,680)
Certified Assessed Value	$ 916,790	$ 1,081,730	$ 1,012,190
MILL LEVY			
General	10.000	10.000	10.000
Debt Service	30.000	30.000	30.000
Total mill levy	40.000	40.000	40.000
PROPERTY TAXES			
General	$ 9,168	$ 10,817	$ 10,122
Debt Service	27,504	32,452	30,366
Levied property taxes	36,672	43,269	40,488
Adjustments to actual/rounding	531	-	-
Budgeted property taxes	$ 37,203	$ 43,269	$ 40,488
BUDGETED PROPERTY TAXES			
General	**$ 9,301**	**$ 10,817**	**$ 10,122**
Debt Service	**27,902**	**32,452**	**30,366**
	$ 37,203	**$ 43,269**	**$ 40,488**

No assurance is provided. See summary of significant assumptions.

CANYON CREEK METROPOLITAN DISTRICT NO. 3
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	$ -	$ -	$ -
REVENUE			
Property taxes	9,301	10,817	10,122
Specific ownership tax	1,181	1,246	1,235
Interest income	1	6	10
Other revenue	-	-	1,000
Total revenue	10,483	12,069	12,367
Total funds available	10,483	12,069	12,367
EXPENDITURES			
General and administrative			
County Treasurer's fee	140	162	152
Transfer to District 1	10,343	11,907	11,215
Contingency	-	-	1,000
Total expenditures	10,483	12,069	12,367
Total expenditures and transfers out requiring appropriation	10,483	12,069	12,367
ENDING FUND BALANCE	$ -	$ -	$ -

No assurance is provided. See summary of significant assumptions.

CANYON CREEK METROPOLITAN DISTRICT NO. 3
DEBT SERVICE 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			
Property taxes	27,902	32,452	30,366
Specific ownership tax	3,541	3,734	3,705
Interest income	1	15	15
Other revenue	-	-	1,000
Total revenue	31,444	36,201	35,086
Total funds available	31,444	36,201	35,086
EXPENDITURES			
County Treasurer's fee	418	487	455
Transfer to CSURA	31,026	35,714	33,630
Contingency	-	-	1,000
Total expenditures	31,444	36,201	35,086
Total expenditures and transfers out requiring appropriation	31,444	36,201	35,086
ENDING FUND BALANCE	$ -	$ -	$ -

No assurance is provided. See summary of significant assumptions.

CANYON CREEK METROPOLITAN DISTRICT NO. 3
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

Canyon Creek Metropolitan District No.3 (the "District") and Canyon Creek Metropolitan District No 1 and Canyon Creek Metropolitan District No.2 (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. 3
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Revenues

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 sales 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.

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.

Senate Bill 21-293 among other things, designates multi-family residential real property (defined generally, as property that is a multi-structure of four or more units) as a new subclass of residential real property. For tax collection year 2023, the assessment rate for single family residential property decreases to 6.95% from 7.15%. The rate for multifamily residential property, the newly created subclass, decreases to 6.80% from 7.15%. Agricultural and renewable energy production property decreases to 26.4% from 29.0%. Producing oil and gas remains at 87.5%. All other nonresidential property stays at 29%.

Net Investment Income

Interest earned on the District's available funds has been estimated based on current interest rates.

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.

County Treasurer's Fees

County Treasurer's collection fees have been computed at 1.5% of property taxes.

Expenditures – (continued)

Transfer to Canyon Creek MD No.1

Transfer to Canyon Creek Metropolitan District (MD) No.1 is to provide funding for the overall administrative and operating costs, as well as capital infrastructure costs for the Districts.

Transfer to CSURA

In 2018, the Colorado Spring Urban Renewal Authority (CSURA) issued Bonds. Bond proceeds will be used to pay for South Nevada Ivywild Development Project. Pursuant to an Agreement with CSURA, the District transfers pledged revenues from the Debt Service Fund for the payment of principal and interest on the CSURA 2018 Bonds.

Debt and Leases

The District has no operating or capital leases.

Reserves

Emergency Reserve

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year spending. Since substantially all funds received by the District are transferred to Canyon Creek Metropolitan District No.1, which pays for all of the Districts' operations and maintenance costs, an Emergency Reserve is not reflected in the District's Budget.

This information is an integral part of the accompanying budget.

EXHIBIT B

2022 Audit Exemption Applications