

LETTER OF BUDGET TRANSMITTAL

Date: January 30, 2024

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

Attached are the 2024 budget and budget message for ALLISON VALLEY METROPOLITAN DISTRICT NO. 2 in El Paso County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on November 16, 2023. If there are any questions on the budget, please contact:

CliftonLarsonAllen LLP
Attn: Carrie Bartow
8390 E. Crescent Parkway, Suite 500
Greenwood Village, CO 80111
Tel.: (303) 779-5710

I, Mike Ruebenson, as President of the Allison Valley Metropolitan District No. 2, hereby certify that the attached is a true and correct copy of the 2024 budget.

By: Michael G. Ruebenson
President

RESOLUTION
TO ADOPT 2024 BUDGET, APPROPRIATE SUMS OF MONEY,
AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY
ALLISON VALLEY METROPOLITAN DISTRICT NO. 2

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2024 TO HELP DEFRAY THE COSTS OF GOVERNMENT, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE ALLISON VALLEY METROPOLITAN DISTRICT NO. 2, EL PASO COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2024, AND ENDING ON THE LAST DAY OF DECEMBER, 2024,

WHEREAS, the Board of Directors of the Allison Valley Metropolitan District No. 2 has authorized its consultants to prepare and submit a proposed budget to said governing body at the proper time; and

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

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on November 16, 2023 and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues or planned to be expended from reserves or fund balances so that the budget remains in balance, as required by law; and

WHEREAS, the amount of money necessary to balance the budget for general operating purposes from property tax revenue is \$ 327,275; and

WHEREAS, the Board of Directors finds that it is required to temporarily lower the operating mill levy to render a refund for \$ 0; and

WHEREAS, the amount of money necessary to balance the budget for voter-approved bonds and interest is \$ 981,878; and

WHEREAS, the amount of money necessary to balance the budget for contractual obligation purposes from property tax revenue as approved by voters from property tax revenue is \$ 0; and

WHEREAS, the amount of money necessary to balance the budget for capital expenditure purposes from property tax revenue as approved by voters or at public hearing is \$ 0 _____; and

WHEREAS, the amount of money necessary to balance the budget for refunds/abatements is \$ 0 _____; and

WHEREAS, the 2023 valuation for assessment for the District as certified by the County Assessor of El Paso is \$ 25,863,390; and

WHEREAS, at an election held on November 7, 2006, the District has eliminated the revenue and expenditure limitations imposed on governmental entities by Article X, Section 20 of the Colorado Constitution and Section 29-1-301, C.R.S., as amended.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE ALLISON VALLEY METROPOLITAN DISTRICT NO. 2 OF EL PASO COUNTY, COLORADO:

Section 1. Adoption of Budget. That the budget as submitted, and attached hereto and incorporated herein by this reference, and if amended, then as amended, is hereby approved and adopted as the budget of the Allison Valley Metropolitan District No. 2 for calendar year 2024.

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

Section 3. Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 4. Levy of General Property Taxes. That the Board of Directors does hereby certify the levy of general property taxes for collection in 2024 as follows:

A. Levy for General Operating and Other Expenses. That for the purposes of meeting all general operating expense of the District during the 2024 budget year, there is hereby levied a tax of 12.654 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2023.

B. Temporary Tax Credit or Rate Reduction. That pursuant to Section 39-1-111.5, C.R.S. for the purposes of effect of a refund for the purposes set forth in Section 20 of Article X of the Colorado Constitution, there is hereby certified a temporary property tax credit or temporary mill levy rate reduction of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2023.

C. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all debt retirement expense of the District during the 2024 budget year, as the funding requirements of the current outstanding general obligation indebtedness is detailed in the

following "Certification of Tax Levies," there is hereby levied a tax of 37.964 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2023.

D. Levy for Contractual Obligations. That for the purposes of meeting the contractual obligation expense of the District during the 2024 budget year, as detailed in the following "Certification of Tax Levies," there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2023.

E. Levy for Capital Expenditures. That for the purposes of meeting all capital expenditures of the District during the 2024 budget year pursuant to Section 29-1-301(1.2) or 29-1-302(1.5), C.R.S., there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2023.

F. Levy for Refunds/Abatements. That for the purposes of recoupment of refunds/abatements of taxes pursuant to Section 39-10-114(1)(a)(I)(B), C.R.S., there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2023.

Section 5. Property Tax and Fiscal Year Spending Limits. That, being fully informed, the Board finds that the foregoing budget and mill levies do not result in a violation of any applicable property tax or fiscal year spending limitation.

Section 6. Certification. That the appropriate officers of the District are hereby authorized and directed to certify to the Board of County Commissioners of El Paso County, Colorado, the mill levies for the District herein above determined and set, or be authorized and directed to certify to the Board of County Commissioners of El Paso County, Colorado, as herein above determined and set, but as recalculated as needed upon receipt of the final certification of valuation from the County Assessor in order to comply with any applicable revenue and other budgetary limits or to implement the intent of the District. That said certification shall be in substantially the form set out and attached hereto and incorporated herein by this reference.

Section 7. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

[remainder of page intentionally left blank; signature page follows]

ADOPTED this 16th day of November, 2023.

ALLISON VALLEY METROPOLITAN
DISTRICT NO. 2

By: Michael G. Rubenson
President

ATTEST:

By: Joyce Jenkins Gorden
Secretary

**ALLISON VALLEY METROPOLITAN DISTRICT NO. 2
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District, a quasi-municipal corporation and political subdivision of the State of Colorado, was organized by order and decree of the District Court of El Paso County on December 5, 2006, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The Consolidated Service Plan, dated July 12, 2006, formed the Allison Valley Metropolitan District Nos. 1 and 2 (the Districts). The District operates under the Amended and Restated Service Plan approved by the City of Colorado Springs (the City) on September 8, 2015. The District's service area is located entirely within the City in El Paso County, Colorado.

The District was established to provide the following services: streets and drainage, water, sanitary sewer, parks and recreation, traffic safety protection, mosquito control, public transportation, and television relay and translation. The District is a residential district.

On November 17, 2006, the District's voters authorized total indebtedness of \$30,000,000 for the above listed facilities. The District's voters also authorized total indebtedness of \$30,000,000 for debt refunding. The election also approved an annual increase in property taxes of \$750,000 without limitation of rate, to pay the District's operation and maintenance costs.

Pursuant to the Amended and Revised Service Plan, the District is permitted to issue bond indebtedness of up to \$30,000,000. In the future, the District may issue a portion or all of the remaining authorized but unissued general obligation debt for purposes of providing public improvements to support development as it occurs within the District's service area, however, as of the date of this budget, the amount and timing of any debt issuances is not determinable.

The District has no employees and all administrative functions are contracted.

The District is not financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity.

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.

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

**ALLISON VALLEY METROPOLITAN DISTRICT NO. 2
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (Continued)

Property Taxes (continued)

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.

Pursuant to the Service Plan, the District is required to adjust its maximum Required Mill Levy for changes in the ratio of actual to assessed value of property within the District. Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in a amount sufficient to pay the principal, premium if any, and interest on the Bonds as the same become due and payable [and to make up any deficiencies in the Reserve Fund].

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.

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

Category	Rate	Category	Rate	Actual Value Reduction	Amount
Single-Family Residential	6.70%	Agricultural Land	26.40%	Single-Family Residential	\$55,000
Multi-Family Residential	6.70%	Renewable Energy Land	26.40%	Multi-Family Residential	\$55,000
Commercial	27.90%	Vacant Land	27.90%	Commercial	\$30,000
Industrial	27.90%	Personal Property	27.90%	Industrial	\$30,000
Lodging	27.90%	State Assessed	27.90%	Lodging	\$30,000
		Oil & Gas Production	87.50%		

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The forecast assumes that the District's share will be equal to approximately 10% of the property taxes collected.

Developer Advance

Developer advances are expected to fund a portion of general fund expenditures and infrastructure costs. Developer advances are to be recorded as revenue for budget purposes with an obligation for future repayment when the District is financially able to reimburse the Developer.

**ALLISON VALLEY METROPOLITAN DISTRICT NO. 2
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (Continued)

Net Investment Income

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

Expenditures

Administrative and Operating Expenditures

Operating and administrative expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, management, accounting, insurance, utilities and meeting expense.

Debt Service

Principal and interest payments are provided based on the summary debt amortization schedule prepared for the Series 2020 Bonds (discussed under Debt and Leases).

Debt and Leases

On December 23, 2020, the District issued General Obligation Limited Tax Refunding Bonds, Series 2020, in the amount of \$13,500,000 which bears an interest at rate of 4.70%, payable semi-annually on June 1 and December 1, beginning on June 1, 2021. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2025. The Series 2020 Bonds mature on December 1, 2047. The 2020 Bonds were issued for the purpose of refunding the Series 2015 Loan.

The 2020 Bonds are subject to redemption prior to maturity, at the option of the District, on December 1, 2025, and on any date thereafter as set forth in the table below.

December 1, 2025 through November 30, 2026	– 103%
December 1, 2026 through November 30, 2027	– 102%
December 1, 2027 through November 30, 2028	– 101%
December 1, 2028 and thereafter	– 100%

The District has no operating or capital leases.

Activity for 2024 is estimated as follows (on following page):

**ALLISON VALLEY METROPOLITAN DISTRICT NO. 2
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases – continued

	Balance - December 31, 2022	Additions	Retirements	Balance - December 31, 2023
Bonds Payable				
Series 2020 G.O. Limited Tax				
Refunding Bonds	\$ 13,500,000	\$ -	\$ -	\$ 13,500,000
Developer Advances:				
Operating	1,429,115	192,000	-	1,621,115
Capital	4,886,965	-	-	4,886,965
Elite	39,609	-	-	39,609
Interest on Developer Advances:				
Operating	289,978	129,635	-	419,613
Capital	1,963,794	195,723	-	2,159,517
Elite	26,169	1,586	-	27,755
Total Long-Term Obligations	<u>\$ 22,135,630</u>	<u>\$ 518,944</u>	<u>\$ -</u>	<u>\$ 22,654,575</u>
	Balance - December 31, 2023	Additions	Retirements	Balance - December 31, 2024
Bonds Payable				
Series 2020 G.O. Limited Tax				
Refunding Bonds	\$ 13,500,000	\$ -	\$ 85,000	\$ 13,415,000
Developer Advances:				
Operating	1,621,115	100,027	-	1,721,142
Capital	4,886,965	-	-	4,886,965
Elite	39,609	-	-	39,609
Interest on Developer Advances:				
Operating	419,613	142,173	-	561,786
Capital	2,159,517	195,723	-	2,355,240
Elite	27,755	1,586	-	29,342
Total Long-Term Obligations	<u>\$ 22,654,575</u>	<u>\$ 439,509</u>	<u>\$ -</u>	<u>\$ 23,009,084</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.

Debt Service Reserve

The District has provided a Debt Service Reserve as required with the issuance of the Series 2020 Bonds.

This information is an integral part of the accompanying budget.

ALLISON VALLEY METROPOLITAN DISTRICT NO. 2
ANNUAL BUDGET
FOR YEAR ENDING DECEMBER 31, 2024

**ALLISON VALLEY METRO DISTRICT NO. 2
SUMMARY
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/4/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 1,313,883	\$ 1,311,517	\$ 1,508,324
REVENUES			
Property taxes	770,590	923,951	1,309,153
Specific ownership taxes	80,111	93,330	130,916
Interest income	16,717	55,050	50,000
Developer advance	154,398	192,000	100,027
Total revenues	<u>1,021,816</u>	<u>1,264,331</u>	<u>1,590,096</u>
Total funds available	<u>2,335,699</u>	<u>2,575,848</u>	<u>3,098,420</u>
EXPENDITURES			
General Fund	378,007	419,629	458,000
Debt Service Fund	646,175	647,895	747,228
Total expenditures	<u>1,024,182</u>	<u>1,067,524</u>	<u>1,205,228</u>
Total expenditures and transfers out requiring appropriation	<u>1,024,182</u>	<u>1,067,524</u>	<u>1,205,228</u>
ENDING FUND BALANCES	<u>\$ 1,311,517</u>	<u>\$ 1,508,324</u>	<u>\$ 1,893,192</u>
EMERGENCY RESERVE	\$ 6,400	\$ 7,700	\$ 10,900
DEBT SERVICE RESERVE (MAXIMUM \$1,053,125)	1,053,125	1,053,125	1,053,125
DEBT SERVICE SURPLUS (MAXIMUM \$600,000)	276,252	446,329	600,000
TOTAL RESERVE	<u>\$ 1,311,517</u>	<u>\$ 1,508,324</u>	<u>\$ 1,664,025</u>

No assurance provided. See summary of significant assumptions.

**ALLISON VALLEY METRO DISTRICT NO. 2
PROPERTY TAX SUMMARY INFORMATION
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

ACTUAL	ESTIMATED	BUDGET
2022	2023	2024

ASSESSED VALUATION

Residential	\$ 13,570,470	\$ 16,966,660	\$ 24,757,050
Commercial	750	6,170	4,130
Vacant land	4,153,360	3,661,210	1,102,210
Certified Assessed Value	\$ 17,724,580	\$ 20,634,040	\$ 25,863,390

MILL LEVY

General	10.867	11.194	12.654
Debt Service	32.602	33.584	37.964
Total mill levy	43.469	44.778	50.618

PROPERTY TAXES

General	\$ 192,613	\$ 230,977	\$ 327,275
Debt Service	577,857	692,974	981,878
Levied property taxes	770,470	923,951	1,309,153
Adjustments to actual/rounding	120	-	-
Budgeted property taxes	\$ 770,590	\$ 923,951	\$ 1,309,153

BUDGETED PROPERTY TAXES

General	\$ 192,643	\$ 230,977	\$ 327,275
Debt Service	577,947	692,974	981,878
	\$ 770,590	\$ 923,951	\$ 1,309,153

**ALLISON VALLEY METRO DISTRICT NO. 2
GENERAL FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/4/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ (7,061)	\$ (17,860)	\$ 8,870
REVENUES			
Property taxes	192,653	230,977	327,275
Specific ownership taxes	20,027	23,332	32,728
Interest income	130	50	-
Developer advance	154,398	192,000	100,027
Total revenues	<u>367,208</u>	<u>446,359</u>	<u>460,030</u>
TRANSFERS IN			
Total funds available	<u>360,147</u>	<u>428,499</u>	<u>468,900</u>
EXPENDITURES			
General and administrative			
Accounting	24,225	34,000	37,000
Auditing	8,750	8,750	10,100
County Treasurer's fee	2,892	3,465	4,604
Dues and membership	1,238	572	1,200
Insurance	11,369	19,886	21,000
District management	39,000	39,000	42,000
Legal	15,649	32,000	30,000
Miscellaneous	883	1,500	1,500
Election	2,469	2,206	-
Contingency	-	-	6,785
Operations and maintenance			
Repairs and maintenance	5,403	8,250	9,000
Landscaping	95,022	90,000	114,811
Snow removal	27,929	80,000	50,000
Utilities	143,178	100,000	130,000
Total expenditures	<u>378,007</u>	<u>419,629</u>	<u>458,000</u>
TRANSFERS OUT			
Total expenditures and transfers out requiring appropriation	<u>378,007</u>	<u>419,629</u>	<u>458,000</u>
ENDING FUND BALANCES	<u>\$ (17,860)</u>	<u>\$ 8,870</u>	<u>\$ 10,900</u>
EMERGENCY RESERVE	\$ 6,400	\$ 7,700	\$ 10,900
AVAILABLE FOR OPERATIONS	(24,260)	1,170	-
TOTAL RESERVE	<u>\$ (17,860)</u>	<u>\$ 8,870</u>	<u>\$ 10,900</u>

No assurance provided. See summary of significant assumptions.

**ALLISON VALLEY METRO DISTRICT NO. 2
DEBT SERVICE FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/4/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 1,320,944	\$ 1,329,377	\$ 1,499,454
REVENUES			
Property taxes	577,937	692,974	981,878
Specific ownership taxes	60,084	69,998	98,188
Interest income	16,587	55,000	50,000
Total revenues	654,608	817,972	1,130,066
Total funds available	1,975,552	2,147,349	2,629,520
EXPENDITURES			
General and administrative			
County Treasurer's fee	8,675	10,395	14,728
Paying agent fees	3,000	3,000	3,000
Contingency	-	-	10,000
Debt Service			
Bond interest	634,500	634,500	634,500
Bond Principal	-	-	85,000
Total expenditures	646,175	647,895	747,228
Total expenditures and transfers out requiring appropriation	646,175	647,895	747,228
ENDING FUND BALANCES	\$ 1,329,377	\$ 1,499,454	\$ 1,882,292
DEBT SERVICE RESERVE (MAXIMUM \$1,053,125)	\$ 1,053,125	\$ 1,053,125	\$ 1,053,125
DEBT SERVICE SURPLUS (MAXIMUM \$600,000)	276,252	446,329	600,000
TOTAL RESERVE	\$ 1,329,377	\$ 1,499,454	\$ 1,653,125

No assurance provided. See summary of significant assumptions.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of _____, Colorado.

On behalf of the _____,
 (taxing entity)^A
 the _____,
 (governing body)^B
 of the _____,
 (local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ _____ assessed valuation of: _____
(GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ _____
(NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: _____ for budget/fiscal year _____.
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

<u>PURPOSE</u> (see end notes for definitions and examples)	<u>LEVY</u> ²	<u>REVENUE</u> ²
1. General Operating Expenses ^H	_____ mills	\$ _____
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< _____ > mills	\$ < _____ >
SUBTOTAL FOR GENERAL OPERATING:	[] mills	\$ []
3. General Obligation Bonds and Interest ^J	_____ mills	\$ _____
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]	[] mills	\$ []

Contact person: _____ Phone: (719)635-0330
 Signed: *Camie Satton* Title: Accountant for District

Survey Question: Does the taxing entity have voter approval to adjust the general operating levy to account for changes to assessment rates? Yes No

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

¹ If the *taxing entity's* boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's **FINAL** certification of valuation).

CERTIFICATION OF TAX LEVIES, continued

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.). Taxing entities that are Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS^J:

- 1. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

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

CONTRACTS^K:

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

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

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

Notes:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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