

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

The Board of Directors of Bradley Heights Metropolitan District No. 1 (the “**Board**”), El Paso County, Colorado (the “**District**”), held a regular meeting, via teleconference on November 15, 2022, at the hour of 9:00 AM.

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

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NOTICE AS TO PROPOSED 2023 BUDGET

AFFIDAVIT OF PUBLICATION

STATE OF COLORADO
COUNTY OF El Paso

I, Lorre Cosgrove, being first duly sworn, deposes and says that she is the Legal Sales Representative of The Colorado Springs Gazette, LLC., a corporation, the publishers of a daily/weekly public newspapers, which is printed and published daily/weekly in whole in the County of El Paso, and the State of Colorado, and which is called Colorado Springs Gazette; that a notice of which the annexed is an exact copy, cut from said newspaper, was published in the regular and entire editions of said newspaper **1 time(s) to wit 10/25/2022**

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.



Lorre Cosgrove
Sales Center Agent

Subscribed and sworn to me this 10/27/2022, at said City of Colorado Springs, El Paso County, Colorado.
My commission expires June 23, 2026.



Karen Hogan
Notary Public



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PUBLIC NOTICE

**NOTICE OF PUBLIC HEARING ON THE
AMENDED 2022 BUDGET
AND
NOTICE OF PUBLIC HEARING ON THE PRO-
POSED 2023 BUDGET**

NOTICE IS HEREBY GIVEN that the Boards of Directors (collectively the "Boards") of the BRADLEY HEIGHTS METROPOLITAN DISTRICT NOS. 1-3 (collectively the "Districts"), will hold a meeting at 119 N Wahsatch Ave, Colorado Springs, Colorado 80903 and via teleconference on November 15th, 2022 at 9:00 AM, 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:

Please join using this link:
<https://video.cloudoffice.avaya.com/join/451389423>
Meeting ID: 451389423

One tap to join audio only from a smart-phone: +12134634500, 451389423, United States (Los Angeles, CA)

Or dial:
+1 (213) 4634500 United States (Los Angeles, CA)

Access Code / Meeting ID: 451389423
International numbers available: <https://video.cloudoffice.avaya.com/teleconference>

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 Walker Schooler District Managers, 614 N. Tejon St., Colorado Springs, CO, 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:

BRADLEY HEIGHTS METROPOLITAN DISTRICT NOS. 1-3, 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 October 25, 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.

ADOPTED THIS NOVEMBER 15TH, 2022.

DISTRICT:

BRADLEY HEIGHTS METROPOLITAN DISTRICT NO. 1, a quasi-municipal corporation and political subdivision of the State of Colorado

By: *Randle W. Case II, President*
Randle W. Case II, President (Jan 27, 2023 11:36 MST)
Officer of the District

Attest:

By: *R. O'Sullivan*
Raymond O'Sullivan (Jan 28, 2023 14:22 MST)

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

[Signature]
General Counsel to the District

STATE OF COLORADO
COUNTY OF EL PASO
BRADLEY HEIGHTS 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 at 119 N Wahsatch Ave., Colorado Springs, CO and Teleconference on November 15, 2022, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 15th day of November, 2022.

R. O'Sullivan
Raymond O'Sullivan (Jan 28, 2023 14:22 MST)

EXHIBIT A

BUDGET DOCUMENT

BUDGET MESSAGE

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

Bradley Heights Metropolitan District No. 1

The attached 2023 Budget for Bradley Heights Metropolitan District No. 1 includes these important features:

- The primary sources of revenue for the district is Revenue transferred from Bradley Heights Metropolitan District No. 2 and District No. 3.
- Development of a capital construction plan and construction of priority projects with the use of borrowed funds.

The Budgetary basis of accounting timing measurement method used is:

- ☐ Cash basis
- ☒ Modified accrual basis
- ☐ Encumbrance basis
- ☐ Accrual basis

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

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

- Contracted legal and management services including state required reporting, financial and accounting reports, billing and other services.

BRADLEY HEIGHTS METROPOLITAN DISTRICT NO. 1
2023 BUDGET
GENERAL FUND

	2021	2022	2022	2022	2023
	ACTUAL	ACTUAL	AMENDED BUDGET	BUDGET AS ADOPTED	BUDGET
GENERAL FUND	\$ 1,665.90	\$ 663.64	\$ 663.64	\$ 4,501.00	\$ 5,659.76
REVENUES					
DEVELOPER ADVANCES	\$ 65,000.00	\$ 58,500.00	\$ 108,500.00	\$ 70,000.00	70,000.00
REIMBURSEMENT - PRIOR YEAR		\$ 20,264.42			
TRANSFER FROM DISTRICT 2		\$ 209.02	\$ -	\$ 209.10	1,651.29
TRANSFER FROM DISTRICT 3		\$ 81.11	\$ -	\$ 319.03	1,050.78
TOTAL REVENUES	\$ 66,665.90	\$ 79,718.19	\$ 109,163.64	\$ 75,029.13	78,361.83
EXPENDITURES					
ACCOUNTING			\$ -	\$ -	-
AUDIT		\$ 13,825.00		\$ 8,500.00	8,500.00
BANK SERVICE CHARGES	\$ 75.00		\$ 100.00	\$ 100.00	100.00
COPIES/POSTAGE	\$ 186.00	\$ 703.94	\$ 248.00	\$ 1,000.00	1,000.00
ELECTIONS	\$ -	\$ 1,994.65	\$ 2,000.00	\$ -	-
INSURANCE D1	\$ 3,086.33	\$ 2,186.00	\$ 2,632.00	\$ 1,600.00	1,600.00
INSURANCE D2	\$ 2,461.00	\$ 2,571.00		\$ 3,000.00	3,000.00
INSURANCE D3	\$ 2,461.00	\$ -		\$ 1,600.00	1,600.00
LEGAL	\$ 34,855.42	\$ 15,089.62	\$ 40,000.00	\$ 10,000.00	8,000.00
DISTRICT MANAGEMENT	\$ 21,340.00	\$ 36,000.00	\$ 27,300.00	\$ 36,000.00	36,000.00
MISCELLANEOUS					
DUES AND SUBSCRIPTIONS (SDA) D1	\$ 1,537.51	\$ 1,237.50	\$ 1,237.50	\$ 500.00	1,500.00
DUES AND SUBSCRIPTIONS (SDA) D2		\$ 225.71		\$ 500.00	500.00
DUES AND SUBSCRIPTIONS (SDA) D3		\$ 225.01		\$ 500.00	500.00
CONTINGENCY				\$ 5,000.00	5,000.00
TRANSFER TO D1 DEBT SERVICE FUND			\$ 10,000.00	\$ -	-
TOTAL EXPENDITURES	\$ 66,002.26	\$ 74,058.43	\$ 83,517.50	\$ 68,300.00	67,300.00
GENERAL FUND: ENDING BALANCE	\$ 663.64	\$ 5,659.76	\$ 25,646.14	\$ 6,729.13	\$ 11,061.83
EMERGENCY RESERVE: State Required at 3%	\$ 1,980.07	\$ 2,221.75	\$ 2,505.53	\$ 2,049.00	\$ 2,019.00
ASSESSED VALUATION	\$ 30.00		\$ 30.00	\$ 30.00	30.00
MILL LEVY - O&M	10.000		0.000	0.000	0.000
MILL LEVY - DEBT	30.000		0.000	0.000	0.000
TOTAL MILL LEVY	40.000		0.000	0.000	0.000

BRDLEY HEIGHTS METROPOLITAN DISTRICT No 1
2023 BUDGET
DEBT SERVICE FUND

	2021	2022	2022	2022	2023
	ACTUAL	ACTUAL	AMENDED BUDGET	BUDGET AS ADOPTED	BUDGET
SERIES 2021 DEBT SERVICE RESERVE: FUND BALANCE:	\$ -			\$ -	-
INTEREST INCOME					
BANK FEES					
TRANSFERS				-	-
SERIES 2021 ESCROW ACCOUNT: RESERVE/CAPITAL:	-				
INTEREST INCOME					
BANK FEES					
TRANSFERS				-	-
DEBT SERVICE FUND: BEGINNING BALANCE	-		-	-	-
SERIES 2021: REVENUE					
REVENUES - 2021 A AND B BONDS				-	
PERMIT FEES - RESIDENTIAL (\$500/UNIT)				-	
PERMIT FEES - COMMERCIAL (\$1.00/SF)				-	
GENERAL PROPERTY TAXES				-	
SPECIFIC OWNERSHIP TAXES				-	
TRANSFER FROM DISTRICT 2				-	
TRANSFER FROM DISTRICT 3				-	
TRANSFER FROM DISTRICT 1 GENERAL FUND	10,000.00		-	-	
INTEREST INCOME				-	
TOTAL REVENUES	10,000.00	-	-	-	-
TOTAL REVENUE & FUND BALANCE	10,000.00		-	-	-
EXPENDITURES					
TRANSFER TO CAPITAL/ PROJECT FUND				-	
TRANSFER TO BOND RESERVES/ SURPLUS				-	
BANK CHARGES (BOND ACCOUNTS)				-	
2021A BOND INTEREST PAYMENT				-	
2021A BOND PRINCIPAL PAYMENT				-	
2021B BOND INTEREST PAYMENT				-	
2021B BOND PRINCIPAL PAYMENT				-	
2021 COST OF ISSUANCE	10,000.00		-	-	
TREASURER'S FEES				-	
TOTAL EXPENDITURES	10,000.00	-	-	-	-
DEBT SERVICE FUND: ENDING BALANCE	-		-	-	-
ASSESSED VALUATION	30.00		30.00	\$ 30.00	30.00
MILL LEVY - O&M	0.000		0.000	0.000	0.000
MILL LEVY - DEBT	0.000		0.000	0.000	0.000
TOTAL MILL LEVY	0.000		0.000	0.000	0.000

**BRADLEY HEIGHTS METROPOLITAN DISTRICT NO. 1
CAPITAL PROJECTS FUND
2023 BUDGET**

	2021 ACTUAL	2022 ACTUAL	2022 AMENDED BUDGET	2022 BUDGET AS ADOPTED	2023 BUDGET
PROJECT/CAPITAL FUND: BEGINNING BALANCE	-		-	-	-
REVENUES - BONDS					
LOAN FROM GENERAL (O&M) FUND					
PROJECT BOND FUND			-	-	-
INTEREST INCOME					
TOTAL REVENUES				-	-
TOTAL REVENUE & FUND BALANCE				-	-
EXPENDITURES					
CAPITAL CONSTRUCTION			-	12,000,000.00	
ENGINEERING/PLANNING	52,285.25		-	1,500,000.00	
PROJECT MANAGEMENT			-	100,000.00	
DEVELOPER REIMBURSEMENTS					
CONSTRUCTION MISC			-	250,000.00	
TOTAL EXPENDITURES	52,285.25		-	13,850,000.00	-
OTHER FINANCING SOURCES					
TRANSFER IN: DEBT SERVICE FUND D2	52,285.25		-	13,850,000.00	
CAPITAL FUND: ENDING BALANCE	\$ -		\$ -	\$ -	\$ -