

RESOLUTION  
GARDENS AT NORTH CAREFREE METROPOLITAN DISTRICT

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES, ADOPTING A BUDGET, AND APPROPRIATING SUMS OF MONEY TO THE FUNDS AND IN THE AMOUNTS SET FORTH HEREIN FOR THE GARDENS AT NORTH CAREFREE METROPOLITAN DISTRICT (THE “DISTRICT”), EL PASO COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2024 AND ENDING ON THE LAST DAY OF DECEMBER 2024 AND AMENDING THE 2023 BUDGET.

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

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

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held November 1, 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 so that the budget remains in balance, as required by law.

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

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

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

Section 3. Adoption of Budget. That the budget as submitted and attached and incorporated herein by this reference, and if amended, then as amended, is hereby approved and adopted as the budget of District for the year stated above and the 2023 budget as amended is adopted.

Section 4. Levy of General Property Taxes. That the foregoing 2024 budget indicated that the amount of money necessary to balance the budget for general operating expenses is \$16,313 and the amount of money necessary to balance the budget for contractual debt obligations is \$65,254. The assessed valuation as certified is \$1,631,340.

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

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

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

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

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

ADOPTED AND APPROVED this 1<sup>st</sup> day of November, 2023.

DISTRICT  
BOARD OF DIRECTORS

By: Ronald J. Covington  
Ronald J. Covington (Jan 15, 2024 09:53 MST)

ATTEST:

Grace Covington  
Grace Covington (Jan 15, 2024 16:18 MST)  
Secretary

**Proof of Publication**

**THE TRANSCRIPT  
Colorado Springs, Colorado**

STATE OF COLORADO, } ss.  
COUNTY OF EL PASO }

I, Fran Zankowski, Publisher, or the undersigned Authorized Agent of the Publisher, do solemnly swear that I am the Publisher, or Authorized Agent of the Publisher of The Transcript; that the same is a tri-weekly newspaper and published in the County of El Paso, State of Colorado, and has a general circulation therein; that said newspaper has been published continuously and uninterruptedly in said County of El Paso for a period of more than fifty-two consecutive weeks prior to the first publication of the annexed legal notice or advertisement; that said newspaper has been admitted to the United States mails as second-class matter under the provisions of the Act of March 3, 1879, or any amendments thereof, and that said newspaper is a tri-weekly newspaper duly qualified for publishing legal notices and advertisements within the meaning of the laws of the State of Colorado.

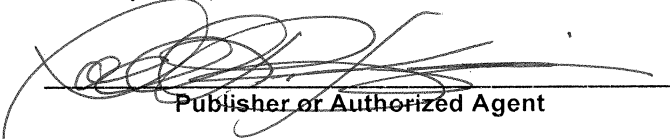
That the annexed legal notice or advertisement was published in the regular and entire issue of every number of said tri-weekly newspapers for the period of 1 consecutive insertion(s), and/or once each week and on the same days of each week; and that the first publication of said notice was in the issue of said newspaper dated:

**13, SEPTEMBER, A.D. 2023.**

And that the last publication of said notice was in the issue of said newspaper dated:

**13, SEPTEMBER, A.D. 2023.**

In witness whereof, I have hereunto set my hand this 13th day of September, A.D. 2023.

  
\_\_\_\_\_  
**Publisher or Authorized Agent**

Subscribed and sworn to before me, a notary public in and for the County of El Paso, State of Colorado, this 13th day of September, A.D. 2023.

  
\_\_\_\_\_  
**Notary Public**

ROBYN KIRK  
Notary Public  
State of Colorado  
Notary ID # 20114063677  
My Commission Expires 10-05-2027

**NOTICE OF BUDGET HEARING  
NOTICE OF ANNUAL MEETING  
GARDENS AT  
NORTH CAREFREE  
METROPOLITAN DISTRICT**

NOTICE IS HEREBY GIVEN THAT THE PROPOSED BUDGET FOR 2024 AND AMENDED BUDGET FOR 2023 WILL BE PRESENTED TO THE BOARD OF DIRECTORS OF THE GARDENS AT NORTH CAREFREE METROPOLITAN DISTRICT AND THAT THE SAME HAS BEEN SCHEDULED FOR A PUBLIC HEARING TO BE HELD ON WEDNESDAY, NOVEMBER 1, 2023, AT 9:00 A.M. AT THE OFFICES OF COVINGTON HOMES, 13737 STRUTHERS ROAD, SUITE 201, COLORADO SPRINGS, CO 80921. ON OR AFTER OCTOBER 15, 2023, THE PROPOSED BUDGETS ARE OPEN AND AVAILABLE FOR INSPECTION AT THE OFFICES OF WALKER SCHOOLER DISTRICT MANAGER, 614 N. TEJON STREET, COLORADO SPRINGS, COLORADO 80903. ANY INTERESTED ELECTOR OF THE DISTRICT MAY FILE OBJECTIONS TO THE PROPOSED BUDGET AT ANY TIME PRIOR TO THE FINAL ADOPTION OF THE BUDGET.

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

THIS MEETING MAY BE CONTINUED. ALL MEETINGS ARE OPEN TO THE PUBLIC.

RON COVINGTON  
PRESIDENT

Publication Date: September 13, 2023  
Published in The Transcript  
DT43163

**EXHIBIT A**

**BUDGET DOCUMENT  
BUDGET MESSAGE**

**BUDGET MESSAGE**

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

Gardens at North Carefree Metropolitan District

The attached 2024 Budget for Gardens at North Carefree Metropolitan District includes these important features:

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

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.
- Facilitate repayment of debt for the District.
- Provide landscape maintenance services for public tracts.
- Facilitate architectural review and Covenant compliance.



614 N. Tejon St  
Colorado Springs, CO 80903  
(719) 447-1777

**GARDENS AT NORTH CAREFREE  
2023 AMENDED AND 2024 BUDGET  
GENERAL FUND**

	2022 ACTUAL	2023 ACTUAL	2023 AMENDED	2023 BUDGET	2024 BUDGET
<b>GENERAL FUND BEGINNING BALANCE</b>	4,322	6,715	-	6,715	-
<b>REVENUES</b>					
PROPERTY TAXES - O&M	10,073	11,209	11,209	11,209	16,313
SPECIFIC OWNERSHIP TAXES - O&M	1,047	1,172	1,172	-	1,142
DELINQUENT INTEREST	251	6	-	-	-
DEVELOPER ADVANCE	-	-	-	-	-
OTHER INCOME	156	-	-	-	-
<b>TOTAL REVENUES</b>	11,527	12,386	12,381	11,209	17,455
<b>TOTAL REVENUES AND FUND BALANCE</b>	15,849	19,101	12,381	17,924	17,455
<b>EXPENDITURES</b>					
<b>GENERAL AND ADMINISTRATIVE</b>					
COUNTY TREASURERS FEE	155	168	221	-	245
DISTRICT MANAGEMENT/ACCOUNTING	2,250	8,878	9,000	-	12,000
DUES - SDA	-	193	700	-	700
ELECTION	-	293	35	-	-
INSURANCE	100	5,947	5,947	-	1,000
LEGAL	2,126	9,027	9,736	10,000	10,000
MISCELLANEOUS	-	-	-	20,000	-
POSTAGE	-	83	111	-	200
<b>OPERATIONS AND MAINTENANCE</b>					
REPAIRS & MAINTENANCE	-	-	17,553	-	4,000
LANDSCAPING	4,312	27,373	10,267	-	11,000
SNOW REMOVAL	-	-	-	-	5,000
UTILITIES	191	8,635	9,197	-	10,000
DETENTION POND MAINTENANCE	-	-	-	-	4,000
<b>TOTAL EXPENDITURES</b>	9,134	60,597	62,767	30,000	58,145
TRANSFER IN DEBT SERVICE FUND	-	41,496	45,539	(18,791)	38,768
PAYBACK DEVELOPER ADVANCE	-	-	-	-	-
<b>ENDING FUND BALANCE</b>	6,715	0	(4,847)	(30,868)	(1,921)
EMERGENCY RESERVE: State Required 3%	274	1,818	1,883	900	1,744

ASSESSED VALUATION	1,007,340	1,120,850	1,120,850	1,120,850	1,631,340
MILL LEVY	10.000	10.000	10.000	10.000	10.000

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

	2022 ACTUAL	2023 ACTUAL	2023 AMENDED	2023 BUDGET	2024 BUDGET
<b>DEBT SERVICE FUND BEGINNING BALANCE</b>	\$ 6,466	\$ 25,487	\$ 25,487	\$ -	\$ 1,201
<b>REVENUES</b>					
PROPERTY TAXES - DEBT	\$ 40,294	\$ 44,834	\$ 44,834	\$ 44,834	\$ 65,254
SPECIFIC OWNERSHIP TAXES - DEBT	\$ 4,190	\$ 4,688	\$ 3,138	\$ -	\$ 4,568
DELINQUENT INTEREST	\$ 156	\$ 22	\$ -	\$ -	\$ -
<b>TOTAL REVENUES</b>	<b>\$ 44,640</b>	<b>\$ 49,544</b>	<b>\$ 47,972</b>	<b>\$ 44,834</b>	<b>\$ 69,821</b>
<b>TOTAL REVENUES AND FUND BALANCE</b>	<b>\$ 51,106</b>	<b>\$ 75,031</b>	<b>\$ 73,459</b>	<b>\$ 44,834</b>	<b>\$ 71,022</b>
<b>EXPENDITURES</b>					
CONTRACTUAL OBLIGATIONS	\$ 25,000	\$ 26,043	\$ 26,043	\$ 26,043	\$ 40,000
COUNTY TREASURERS FEE	\$ 619	\$ 673	\$ 676	\$ -	\$ 979
<b>TOTAL EXPENDITURES</b>	<b>\$ 25,619</b>	<b>\$ 26,716</b>	<b>\$ 26,719</b>	<b>\$ 26,043</b>	<b>\$ 40,979</b>
<b>TRANSFER OUT TO GENERAL FUND</b>	<b>\$ -</b>	<b>\$ 41,496</b>	<b>\$ 45,539</b>	<b>\$ 18,791</b>	<b>\$ 38,768</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 25,487</b>	<b>\$ 6,819</b>	<b>\$ 1,201</b>	<b>\$ -</b>	<b>\$ (8,724)</b>
ASSESSED VALUATION	1,007,340	1,120,850	1,120,850	1,120,850	1,631,340
MILL LEVY	40.000	40.000	40.000	40.000	40.000