

RESOLUTION
ADOPTING BUDGET, APPROPRIATING SUMS OF MONEY AND CERTIFYING
MILL LEVIES FOR THE CALENDAR YEAR 2025

The Board of Directors of Saddlehorn Ranch Metropolitan District No. 2 (the “**Board**”), City of Colorado Springs, El Paso County, Colorado (the “**District**”), held a regular meeting, via teleconference on November 19, 2024, at the hour of 4:00 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 2025 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 11/08/2024

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.



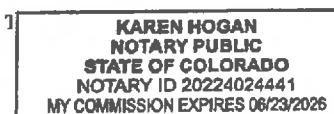
Lorre Cosgrove
Sales Center Agent

Subscribed and sworn to me this 11/13/2024, at said City of Colorado Springs, El Paso County, Colorado.

My commission expires June 23, 2026.



Karen Hogan
Notary Public



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20224024441-721598

PUBLIC NOTICE NOTICE OF PUBLIC HEARING ON THE PROPOSED 2025 BUDGET AND NOTICE OF PUBLIC HEARING ON THE AMENDED 2024 BUDGET <p>The Boards of Directors (collectively the "Boards") of the SADDLEHORN RANCH METROPOLITAN DISTRICTS NOS. 1 AND 2 (collectively the "Districts"), will hold a public hearing via teleconference on November 13, 2024, at 6:00 p.m. (Mountain Time) to consider the proposed 2025 budgets (the "Proposed Budgets"), and, if necessary, amend the 2024 budgets (the "2024 budgets" and the "Amended Budgets"). This public hearing may be joined using the following teleconference information:</p> <p>https://video.cloudoffice.avaya.com/join/427672903</p> <p>You can also dial in using your phone.</p> <p>United States: +1 (213) 463-4600</p> <p>The Proposed Budgets and Amended Budgets are available for inspection by the public at the offices of VSDOM Managers at 114 N. Tejon St., Colorado Springs, CO 80903.</p> <p>Any member of the public may file any objections for the Proposed Budgets and Amended Budgets at any time prior to the final adoption of the Proposed Budgets or the Amended Budgets by the Boards.</p> <p>The agenda for any meeting may be obtained on the District's website at: https://www.saddledistricts.co/saddlehorn-ranch-metropolitan-districts-no-1-and-2/the-board-of-directors.</p> <p>SADDLEHORN RANCH METROPOLITAN DISTRICT NOS. 1 AND 2, quasi-municipal corporations and political subdivisions of the State of Colorado</p> <p>/s/ WHITE BEAR ANKELE TANAKA & WALDRON Attorneys at Law</p> <p>Published In The Gazette November 8, 2024.</p>
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WHEREAS, the Board has appointed 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 available for inspection by the public at a designated place, a public hearing was held and interested electors of the District were provided a public comment period and given the opportunity to file any objections to the proposed budget prior to the final 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 2025. 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 of Property Taxes. The Board does hereby certify the levy of property taxes for collection in 2025 as more specifically set out in the budget attached hereto.

Section 3. 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 4. 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 5. Appropriations. The amounts set forth as expenditures in the budget attached hereto are hereby appropriated from the revenue of each fund for the purposes stated.

Section 6. 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 7. 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 NOVEMBER 19, 2024.

DISTRICT:

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

By: *Sandra Lehmann*
By: [Sandra Lehmann \(Dec 24, 2024 21:19 GMT+1\)](#)
Officer of the District

ATTEST:

By: *Jeff Petersma*
By: [Jeff Petersma \(Dec 22, 2024 07:44 MST\)](#)

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

Jon Wagner
By: [Jon Wagner \(Dec 19, 2024 16:23 MST\)](#)
General Counsel to the District

STATE OF COLORADO
COUNTY OF EL PASO
SADDLEHORN RANCH METROPOLITAN DISTRICT NO. 2

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 Tuesday, November 19, 2024, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this ____ day of
November, 2024. Dec 19, 2024

Jak Pattamasaeni
Signature

EXHIBIT A
BUDGET DOCUMENT
BUDGET MESSAGE

SADDLEHORN RANCH METROPOLITAN DISTRICT #2

2025 BUDGET

GENERAL FUND

	2023	2024	2024	2025
	ACTUAL	ACTUAL	BUDGET	BUDGET
GENERAL FUND BEGINNING BALANCE	\$ -	\$ -	\$ -	\$ 722
REVENUES				
PROPERTY TAXES	\$ 3,820	\$ 26,994	\$ 26,875	\$ 33,689
SPECIFIC OWNERSHIP TAXES	\$ 398	\$ 2,523	\$ 1,881	\$ 2,358
TAP FEE	\$ 250,000	\$ 825,000	\$ 900,000	\$ 875,000
TRASH SERVICE FEES	\$ 68	\$ 3,060	\$ -	\$ -
DELINQUENT INTEREST	\$ 57	\$ 222	\$ -	\$ -
DEVELOPER ADVANCES				
INTEREST EARNINGS				
OTHER				
TOTAL REVENUES	\$ 254,343	\$ 854,739	\$ 931,816	\$ 911,047
TOTAL REVENUES AND FUND BALANCE	\$ 254,343	\$ 854,739	\$ 931,816	\$ 911,769
EXPENDITURES				
BANK FEES	\$ 20	\$ 40	\$ -	\$ -
AUDIT	\$ -	\$ 9,600	\$ -	\$ -
INSURANCE	\$ -	\$ (500)	\$ -	\$ -
TREASURERS FEE	\$ 58	\$ 408	\$ 403	\$ 505
TRANSFER TO DISTRICT 1	\$ 4,265	\$ 54,999	\$ 28,353	\$ 35,542
TRANSFER TO WATER OPERATIONS FUND	\$ -	\$ 100,000	\$ 225,000	\$ 200,000
TRANSFER TO DEBT SERVICE FUND (TAP FEES)	\$ 250,000	\$ 675,000	\$ 625,000	\$ 3,500
ACCESSIBILITY COMPLIANCE				
CONTINGENCY				
TOTAL EXPENDITURES	\$ 254,343	\$ 164,547	\$ 928,756	\$ 864,547
ENDING FUND BALANCE	\$ -	\$ 690,192	\$ 3,060	\$ 47,222
EMERGENCY RESERVE 3%	7,630	4,936	27,863	25,936
ASSESSED VALUATION	\$ 381,980	\$ 2,687,450	\$ 2,687,450	\$ 3,368,880
MILL LEVY	10.000	10.000	10.000	10.000

SADDLEHORN RANCH METROPOLITAN DISTRICT #2
2025 BUDGET
DEBT SERVICE FUND

	2023	2024	2024	2025
	ACTUAL	ACTUAL	BUDGET	BUDGET
DEBT SERVICE FUND BEGINNING BALANCE	\$ 2,398	\$ 74,279	\$ 22,600	\$ 57,158
SERIES 2023:REVENUE				
REVENUE SERIES 2023 A BOND	\$ 9,264,000			
PROPERTY TAX	\$ 19,099	\$ 134,970	\$ 134,373	\$ 168,444
SPECIFIC OWNERSHIP TAX	\$ 1,666	\$ 12,616	\$ 9,406	\$ 11,791
DELINQUENT INTEREST	\$ 1,990	\$ 1,108		
TRANSFERS IN FROM GENERAL FUND	\$ 254,369		\$ 675,000	\$ 625,000
TRANSFER IN FROM DISTRICT 1	\$ 37,218			
INTEREST INCOME	\$ 990	\$ 5,531	\$ -	\$ -
TOTAL INFLOWS & REVENUES	\$ 9,579,332	\$ 154,225	\$ 818,779	\$ 805,235
SERIES 2021A - PRINCIPAL AND INTEREST				
SERIES 2023(3) - INTEREST				
TRANSFER TO DISTRICT NO 2 CAPITAL PROJECT FU	\$ 8,813,134			
COSTS OF ISSUANCE	\$ 468,033			
COST CERTIFICATION	\$ 37,218			
UNDERWRITERS DISCOUNT				
INTEREST EXPENSE	\$ 188,775	\$ 855,741	\$ 833,760	\$ 833,760
TRUSTEE FEE		\$ 4,000	\$ 4,000	\$ 4,000
TREASURERS FEE	\$ 291	\$ 2,041	\$ 2,016	\$ 2,527
BANK CHARGE				
TOTAL OUTFLOWS	\$ 9,507,451	\$ 861,782	\$ 839,776	\$ 840,287
ENDING BALANCE	\$ 74,279	\$ (633,278)	\$ 1,603	\$ 22,106
ASSESSED VALUATION				
	\$ 381,980	\$ 2,687,450	\$ 2,687,450	\$ 3,368,880
MILL LEVY	50.000	50.000	50.000	50.000
TOTAL MILL LEVY	60.000	60.000	60.000	60.000

SADDLEHORN RANCH METROPOLITAN DISTRICT #2
2025 BUDGET
CAPITAL PROJECTS FUND

	2023	2024	2024	2025
	ACTUAL	ACTUAL	BUDGET	BUDGET
CAPITAL PROJECTS FUND BEGINNING BALANCE	\$ -	\$ 11	\$ 11	\$ 11
SERIES 2023:REVENUE				
REVENUE SERIES 2023 BOND	\$ 8,813,134			
TAP FEES	\$ -			
SPECIFIC OWNERSHIP TAX	\$ -			
TRANSFERS IN FROM OPERATING ACCOUNT				
TRANSFERS IN FROM D2 AND D3 DEBT SERVICE				
INTEREST INCOME				
TOTAL INFLOWS & REVENUES	<u>\$ 8,813,134</u>	\$ -	\$ -	\$ -
RAW WATER PURCHASE	\$ 2,200,000			
WATER LINES				
WATER TREATMENT PLANT				
WATER	\$ 4,948,879			
VEHICLES				
EROSION CONTROL				
EARTHWORK				
ENTRYWAY				
STORM DRAIN	\$ 116,687			
STREETS	\$ 1,451,689			
PARK AND RECREATION	\$ 95,868			
TRAFFIC CONTROL				
CONSULTING AND CONSTRUCTION MANAGEMENT				
ACCOUNTING, LEGAL & OTHER PROFESSIONAL				
CONTINGENCY	\$ -			
TRANSFER TO WATER OPERATIONS FUND	\$ -			
TOTAL OUTFLOWS	<u>\$ 8,813,124</u>	\$ -	\$ -	\$ -
ENDING BALANCE	<u>\$ 11</u>	<u>\$ 11</u>	<u>\$ 11</u>	<u>\$ 11</u>

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

SADDLEHORN RANCH METROPOLITAN DISTRICT NO. 2

The attached 2025 Budget for Saddlehorn Ranch Metropolitan District No. 2 includes these important features:

Saddlehorn Ranch Metropolitan Districts Nos. 1-2 are quasi-municipal corporations organized and operated pursuant to provisions set forth in the Colorado Special District Act. The districts were created under the Service District/Financing District structure under El Paso County policies. District No. 1 is intended to be the service district.

District No. 2 is intended to be the service district with the primary purposes of 1) financing and construction of Public Improvements identified in the Service Plan; 2) any ongoing operation and maintenance of the Public Improvements not otherwise dedicated to another entity and; 3) The district's budget strategy is to perform these activities as cost effectively as possible.

The Budgetary basis of accounting timing measurement method used is the modified accrual basis.

REVENUE

The primary source of revenue for the district in 2025 is tax collections and tap fees for access to its water production and distribution system. The district will impose a mill levy in 2025. 10.000 mills - (general fund) 50.000 mills - (debt service fund) 0.000 mills - (capital projects fund)

EXPENDITURES

The district has adopted five separate funds - a General Fund to provide for administrative and operating expenditures, a Capital Projects fund to account for the construction and/or acquisition of public infrastructure as provided for in the service plan, a Water Operations Fund to account for revenues and expenditures related to providing water services to residents (currently inactive), and a Debt Service Fund to account for the construction of and financing of the water infrastructure.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of EL PASO COUNTY, Colorado.

On behalf of the SADDLEHORN RANCH METROPOLITAN DISTRICT #2
(taxing entity)^A

the BOARD OF DIRECTORS
(governing body)^B

of the SADDLEHORN RANCH METROPOLITAN DISTRICT #2
(local government)^C

Hereby officially certifies the following mills
to be levied against the taxing entity's GROSS \$ 3,368,880
assessed valuation of:

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 \$ 3,368,880
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:

Submitted: 12/13/2024 for budget/fiscal year 2025.
(not later than Dec. 15) (mm/dd/yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	10.000 mills	\$ 33,689
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	10.000] mills	\$ 33,689
3. General Obligation Bonds and Interest ^J	50.000 mills	\$ 168,444
4. Contractual Obligations ^K	mills	\$
5. Capital Expenditures ^L	mills	\$
6. Refunds/Abatements ^M	mills	\$
7. Other ^N (specify):	mills	\$
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	60.000] mills	\$ 202,133

Contact person:
(print) Susan Gonzales Daytime
Signed: Susan Gonzales phone: (719)-447-1777
Title: CPA

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) 866-2156.

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:

1. Purpose of Issue: General Obligation Limited Tax Bonds
Series: Series 2023(3)
Date of Issue: 8/31/2023
Coupon Rate: 9.000%
Maturity Date: 12/1/2052
Levy: 50.000
Revenue: \$168,444

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

CONTRACTS:

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.

SHRMD 2 2025 Budget Resolution

Final Audit Report

2024-12-24

Created:	2024-12-19
By:	Jak Pattamasaevi (jak.p@wsdistricts.co)
Status:	Signed
Transaction ID:	CBJCHBCAABAqfk7mx4pxJwWHWuU8lazQV9ekqznPUxT

"SHRMD 2 2025 Budget Resolution" History

 Document created by Jak Pattamasaevi (jak.p@wsdistricts.co)
2024-12-19 - 11:04:09 PM GMT

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 Signer jdpffd@pcisys.net entered name at signing as Jeff Petersma
2024-12-22 - 2:44:16 PM GMT

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 Signer sandralehmansellhomes@gmail.com entered name at signing as Sandra Lehmann
2024-12-24 - 8:19:42 PM GMT

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Signature Date: 2024-12-24 - 8:19:44 PM GMT - Time Source: server

 Agreement completed.
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