

**PATRIOT PARK METROPOLITAN DISTRICT NO. 2  
ANNUAL REPORT FOR REPORT YEAR 2022  
CITY OF COLORADO SPRINGS**

Pursuant to Section VII of the Service Plan for the Patriot Park Metropolitan District No. 2 (the “District”) and pursuant to section 32-1-207(3)(c), C.R.S., the District is required to submit an annual report to the Director of the City’s Budget Department no later than August 1st of each year. The District submits the following annual report for the year ending December 31, 2022 (the “Report Year”).

**A. Boundary changes made or proposed to the District’s boundaries as of December 31 of the Report Year.**

During the Report Year, the District did not make or propose any changes to its boundaries.

**B. Intergovernmental agreements with other governmental bodies entered into, terminated or proposed as of December 31 of the Report Year.**

During the Report Year, the District did not enter into any intergovernmental agreements with other governmental bodies. Further, no intergovernmental agreements were terminated or proposed.

**C. Copies of the Districts’ rules and regulations, if any, as of December 31 of the Report Year.**

During the Report Year, the District did not adopt or modify its rules and regulations. The District's website is: [www.patriotparkmd.com](http://www.patriotparkmd.com).

**D. Summary of any litigation which involves any of the District’s public improvements as of December 31 of the Report Year.**

There is no litigation or notices of claim, pending or threatened which involves public improvements, against the District of which the District is aware during the Report Year.

**E. Status of the District’s construction of the public improvements as of December 31 of the Report Year.**

During the Report Year, the District did not construct any public improvements.

**F. A list of all facilities and improvements constructed by the District that have been dedicated to and accepted by the City as of December 31 of the Report Year.**

The District did not dedicate any facilities or improvements to the City of Colorado Springs during the Report Year.

**G. The final assessed valuation of the District for the current year and for the Report Year.**

The final assessed valuation of the District for the current year: \$6,830,570.

The final assessed valuation of the District for the Report Year: \$7,096,630.

**H. Current year budget including a description of public improvements to be constructed in such year.**

The District's 2023 budget is attached hereto as Exhibit A.

**I. Audit of the District's financial statements for the Report Year ending December 31, prepared in accordance with generally accepted accounting principles or audit exemption, if applicable.**

The District's 2022 audit is not ready and will be provided once completed.

**J. Notice of any uncured events of noncompliance by the District under any debt instrument which continues beyond a ninety (90) day period.**

None.

**K. Any inability of District to pay its obligations as they come due, in accordance with the terms of such obligations, which continue beyond a ninety (90) day period.**

None.

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

During the Report Year, no certifications were issued.

Submitted by the undersigned, Manager for the District on behalf of the Patriot Park Metropolitan District No. 2, dated this 31st day of July, 2023.

CliftonLarsonAllen LLP

/s/ Josh Miller

Josh Miller, District Manager

*This annual report must be electronically filed with the governing body with jurisdiction over the special district, the division, and the state auditor, and such report must be electronically filed with the county clerk and recorder for public inspection, and a copy of the report must be made available by the special district on the special district's website pursuant to section 32-1-104.5 (3).*

**Exhibit A**

2023 Adopted Budget

LETTER OF BUDGET TRANSMITTAL

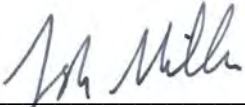
Date: January 31, 2023

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

Attached are the 2023 budget and budget message for PATRIOT PARK METROPOLITAN DISTRICT NO. 2 in El Paso County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on October 31, 2022. If there are any questions on the budget, please contact:

Josh Miller, District Manager  
c/o CliftonLarsonAllen LLP  
121 S. Tejon Street, Suite 1100  
Colorado Springs, CO 80903  
Telephone number: 303-779-5710

I, Josh Miller, District Manager of the Patriot Park Metropolitan District No. 2, hereby certify that the attached is a true and correct copy of the 2023 budget.

By:   
\_\_\_\_\_  
Josh Miller, District Manager

**RESOLUTION  
TO ADOPT 2023 BUDGET, APPROPRIATE SUMS OF MONEY,  
AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY  
PATRIOT PARK METROPOLITAN DISTRICT NO. 2**

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2023 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 PATRIOT PARK METROPOLITAN DISTRICT NO. 2, EL PASO COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2023, AND ENDING ON THE LAST DAY OF DECEMBER, 2023,

WHEREAS, the Board of Directors of the Patriot Park 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 October 31, 2022 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 \$118,312; 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 \$236,625; 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 2022 valuation for assessment for the District as certified by the County Assessor of El Paso County is \$6,830,570; and

WHEREAS, at an election held on May 8, 2018, 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 PATROT PARK 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 Patriot Park Metropolitan District No. 2 for calendar year 2023.

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 2023 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 2023 budget year, there is hereby levied a tax of 17.321 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2022.

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 2022.

C. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all debt retirement expense of the District during the 2023 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 34.642 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2022.

D. Levy for Contractual Obligations. That for the purposes of meeting the contractual obligation expense of the District during the 2023 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 2022.

E. Levy for Capital Expenditures. That for the purposes of meeting all capital expenditures of the District during the 2023 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 2022.

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 2022.

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 by December 15, 2022, 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 on or about December 10, 2022 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 31<sup>st</sup> day of October 2022.

PATRIOT PARK METROPOLITAN  
DISTRICT NO. 2

DocuSigned by:  
*Sam Cameron*  
E75FB43259D1465...  
\_\_\_\_\_  
President

ATTEST:

DocuSigned by:  
*Kevin Butcher*  
25ABAF7570F0473...  
\_\_\_\_\_  
Secretary



**ATTACH COPY OF THE ADOPTED BUDGET AND  
THE CERTIFICATION OF TAX LEVIES**

**PATRIOT PARK METROPOLITAN DISTRICT NO. 2**

**ANNUAL BUDGET**

**FOR YEAR ENDING DECEMBER 31, 2023**

**PATRIOT PARK METROPOLITAN DISTRICT NO. 2**  
**SUMMARY**  
**2023 BUDGET**  
**WITH 2021 ACTUAL AND 2022 ESTIMATED**  
**For the Years Ended and Ending December 31,**

1/27/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ 55,360	\$ 355,357	\$ 439,730
REVENUES			
Property taxes	105,356	354,228	354,937
Specific ownership taxes	12,373	35,578	35,493
Interest income	253	1,275	1,600
Other income	514	-	-
Developer advance	3,416,557	-	-
Maintenance fees	52,969	55,000	60,000
Bond proceeds	3,200,000	-	-
Total revenues	<u>6,788,022</u>	<u>446,081</u>	<u>452,030</u>
TRANSFERS IN	<u>365,680</u>	-	-
Total funds available	<u>7,209,062</u>	<u>801,438</u>	<u>891,760</u>
EXPENDITURES			
General Fund	91,043	181,566	187,000
Debt Service Fund	112,311	180,142	183,644
Capital Projects Fund	6,284,671	-	-
Total expenditures	<u>6,488,025</u>	<u>361,708</u>	<u>370,644</u>
TRANSFERS OUT	<u>365,680</u>	-	-
Total expenditures and transfers out requiring appropriation	<u>6,853,705</u>	<u>361,708</u>	<u>370,644</u>
ENDING FUND BALANCES	<u>\$ 355,357</u>	<u>\$ 439,730</u>	<u>\$ 521,116</u>
EMERGENCY RESERVE	\$ 2,800	\$ 1,800	\$ 1,900
DEBT SERVICE RESERVE	247,569	247,569	247,569
SURPLUS FUND	101,108	182,040	229,460
TOTAL RESERVE	<u>\$ 351,477</u>	<u>\$ 431,409</u>	<u>\$ 478,929</u>

No assurance provided. See summary of significant assumptions.

**PATRIOT PARK METROPOLITAN DISTRICT NO. 2**  
**PROPERTY TAX SUMMARY INFORMATION**  
**2023 BUDGET**  
**WITH 2021 ACTUAL AND 2022 ESTIMATED**  
**For the Years Ended and Ending December 31,**

1/27/23

ACTUAL	ESTIMATED	BUDGET
2021	2022	2023

**ASSESSED VALUATION**

Residential	\$ 1,435,190	\$ 6,842,510	\$ -
Residential Single Family	-	-	2,462,350
Residential Multi Family	-	-	4,099,120
Commercial	220	252,950	267,930
Vacant land	667,650	1,170	1,170
Certified Assessed Value	\$ 2,103,060	\$ 7,096,630	\$ 6,830,570

**MILL LEVY**

General	16.699	16.638	17.321
Debt Service	33.398	33.277	34.642
Total mill levy	50.097	49.915	51.963

**PROPERTY TAXES**

General	\$ 35,119	\$ 118,074	\$ 118,312
Debt Service	70,238	236,154	236,625
Levied property taxes	105,357	354,228	354,937
Adjustments to actual/rounding	-	-	-
Budgeted property taxes	\$ 105,357	\$ 354,228	\$ 354,937

**BUDGETED PROPERTY TAXES**

<b>General</b>	<b>\$ 35,119</b>	<b>\$ 118,074</b>	<b>\$ 118,312</b>
<b>Debt Service</b>	<b>70,238</b>	<b>236,154</b>	<b>236,625</b>
	<b>\$ 105,357</b>	<b>\$ 354,228</b>	<b>\$ 354,937</b>

No assurance provided. See summary of significant assumptions.

**PATRIOT PARK METROPOLITAN DISTRICT NO. 2  
GENERAL FUND  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

1/27/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 22,862	\$ 6,680	\$ 10,121
<b>REVENUES</b>			
Property taxes	35,115	118,074	118,312
Specific ownership taxes	4,124	11,858	11,831
Interest income	50	75	100
Other income	514	-	-
Maintenance fees	52,969	55,000	60,000
Total revenues	92,772	185,007	190,243
Total funds available	115,634	191,687	200,364
<b>EXPENDITURES</b>			
General and administrative			
County Treasurer's fee	527	1,771	1,775
Directors' fees	900	600	900
Miscellaneous	-	25	25
Payroll taxes	69	58	87
Billing services	11,173	15,000	17,250
Covenant enforcement	16,205	10,000	11,500
Contingency	-	-	72
Intergovernmental expenditures	39,252	128,112	128,391
Operations and maintenance			
Trash service	22,917	26,000	27,000
Total expenditures	91,043	181,566	187,000
<b>TRANSFERS OUT</b>			
Transfers to other fund	17,911	-	-
Total expenditures and transfers out requiring appropriation	108,954	181,566	187,000
ENDING FUND BALANCE	\$ 6,680	\$ 10,121	\$ 13,364
EMERGENCY RESERVE	\$ 2,800	\$ 1,800	\$ 1,900
TOTAL RESERVE	\$ 2,800	\$ 1,800	\$ 1,900

No assurance provided. See summary of significant assumptions.

**PATRIOT PARK METROPOLITAN DISTRICT NO. 2**  
**DEBT SERVICE FUND**  
**2023 BUDGET**  
**WITH 2021 ACTUAL AND 2022 ESTIMATED**  
**For the Years Ended and Ending December 31,**

1/27/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 34,526	\$ 348,677	\$ 429,609
REVENUES			
Property taxes	70,241	236,154	236,625
Specific ownership taxes	8,249	23,720	23,662
Interest income	203	1,200	1,500
Total revenues	<u>78,693</u>	<u>261,074</u>	<u>261,787</u>
TRANSFERS IN			
Transfers from other funds	<u>347,769</u>	-	-
Total funds available	<u>460,988</u>	<u>609,751</u>	<u>691,396</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	1,054	3,542	3,549
Banking fees	30	-	-
Paying agent fees	-	4,000	4,000
Debt Service			
Bond interest - Senior Bonds	111,227	137,600	136,095
Bond principal - Senior Bonds	-	35,000	40,000
Total expenditures	<u>112,311</u>	<u>180,142</u>	<u>183,644</u>
Total expenditures and transfers out requiring appropriation	<u>112,311</u>	<u>180,142</u>	<u>183,644</u>
ENDING FUND BALANCE	<u>\$ 348,677</u>	<u>\$ 429,609</u>	<u>\$ 507,752</u>
DEBT SERVICE RESERVE	\$ 247,569	\$ 247,569	\$ 247,569
SURPLUS FUND	101,108	182,040	229,460
TOTAL RESERVE	<u>\$ 348,677</u>	<u>\$ 429,609</u>	<u>\$ 477,029</u>

No assurance provided. See summary of significant assumptions.

**PATRIOT PARK METROPOLITAN DISTRICT NO. 2  
 CAPITAL PROJECTS FUND  
 2023 BUDGET  
 WITH 2021 ACTUAL AND 2022 ESTIMATED  
 For the Years Ended and Ending December 31,**

1/27/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ (2,028)	\$ -	\$ -
REVENUES			
Developer advance	3,416,557	-	-
Bond proceeds	3,200,000	-	-
Total revenues	<u>6,616,557</u>	-	-
TRANSFERS IN			
Transfers from other funds	<u>17,911</u>	-	-
Total funds available	<u>6,632,440</u>	-	-
EXPENDITURES			
Capital Projects			
Repay developer advance	2,614,518	-	-
Bond issue costs	253,596	-	-
Capital outlay	3,416,557	-	-
Total expenditures	<u>6,284,671</u>	-	-
TRANSFERS OUT			
Transfers to other fund	<u>347,769</u>	-	-
Total expenditures and transfers out requiring appropriation	<u>6,632,440</u>	-	-
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**PATRIOT PARK METROPOLITAN DISTRICT NO. 2  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

Patriot Park Metropolitan District No. 1 (District No. 1) and Patriot Park Metropolitan District No. 2 (District No. 2) (collectively, the "Districts") were formed under the Consolidated Service Plan approved by the City of Colorado Springs (the "City") on April 10, 2018. District No. 2 was organized by El Paso County Court Order on May 18, 2018.

The Districts' service area is located entirely within the City of Colorado Springs, El Paso County, Colorado. The Districts were organized to provide financing and construction for parks and recreation, public art, sidewalk and public space maintenance and streetscaping.

District No. 2 voters approved authorization to increase property taxes up to \$10,000,000 annually, as necessary to pay for the operations and maintenance expenditures of the district. Debt authorization was approved in the amount of \$9,600,000 for the execution of the Agreement and \$78,720,000 for repayment costs. 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 Districts' Service Plan, the amount of debt that can be issued is \$8,000,000 combined for both Districts, in Limited General Obligation Bonds. District No. 2 mill levies for debt are capped at 30 mills, and operating and maintenance is capped at 15 mills. District No. 2's total cap is 45 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 difference may be material.

**Revenues**

**Maintenance Fees**

District No. 2 imposes a quarterly fee of \$90 from the homeowners and collects a \$250 fee at closing from each new homeowner to pay for the costs of trash service and covenant enforcement.



**PATRIOT PARK METROPOLITAN DISTRICT NO. 2  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues (continued)**

**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.

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.

**Expenditures**

**Intergovernmental Expenditures**

Intergovernmental expenditures represent transfers to District No. 1 to provide funding for the overall administrative and operating costs for the Districts.

**Administrative and Operations and Maintenance Expenditures**

Administrative and operating expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, management, accounting, insurance, landscaping, utilities, and other administrative expenses.

**County Treasurer's Fees**

County Treasurer's fees have been computed at 1.5% of property tax collections.

**PATRIOT PARK METROPOLITAN DISTRICT NO. 2  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debt and Leases**

The District issued Bonds on February 10, 2021, in the amount of \$3,200,000. The proceeds from the sale of the Bond were used to (i) pay the Project Costs; (ii) fund capitalized interest; (iii) fund the Reserve Fund to the Reserve Requirements, and (iv) pay costs of issuance of the Bonds.

The Bonds were issued as term bonds bearing interest at 4.300%, payable semiannually on June 1 and December 1, beginning on December 1, 2021. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2022. The Bonds mature on December 1, 2050.

The Bonds are secured by and payable solely from Pledged Revenue, net of the cost of collection, which is defined generally in the Indenture as:

- (a) All Property Tax Revenues
- (b) All Capital Fees, if any; and
- (c) Any other legally available moneys which the District determines, in its absolute discretion, to credit to the Bond Fund.

The Bonds are secured by amounts on deposit in the Reserve Fund in the Reserve Requirement amount of \$247,569.

Pledged Revenue that is not needed to pay debt service on the Bonds in any year will be deposited to and held in the Surplus Fund, up to the Maximum Surplus amount of \$229,460. In accordance with the Indenture, the Surplus Fund is to be maintained as long as any Bonds are outstanding. When no Bonds are outstanding, any moneys in the Surplus Fund are required to be remitted to the District for application to any lawful purpose of the District. The District has acknowledged that State Law places certain restrictions on the use of money derived from the Required Mill Levy.

A schedule of the debt service requirements for the Bonds is provided.

District No. 2 has outstanding developer advances.

**PATRIOT PARK METROPOLITAN DISTRICT NO. 2  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debt and Leases (continued)**

Activity for 2023 is estimated as follows:

	Balance - December 31, 2021	Additions	Retirements/ Reductions	Balance - December 31, 2022
2021 Limited tax G.O. Bonds	\$ 3,200,000	\$ -	\$ 35,000	\$ 3,165,000
Developer Advances - Capital	832,275	-	-	832,275
Accrued Interest - Developer Advances Capital	76,827	66,582	-	143,409
Total	<u>\$ 4,109,102</u>	<u>\$ 66,582</u>	<u>\$ 35,000</u>	<u>\$ 4,140,684</u>
	Balance - December 31, 2022	Additions	Retirements/ Reductions	Balance - December 31, 2023
2021 Limited tax G.O. Bonds	\$ 3,165,000	\$ -	\$ 40,000	3,125,000
Developer Advances - Capital	832,275	-	-	832,275
Accrued Interest - Developer Advances Capital	143,409	66,582	-	209,991
Total	<u>\$ 4,140,684</u>	<u>\$ 66,582</u>	<u>\$ 40,000</u>	<u>\$ 4,167,266</u>

District No. 2 has no operating or capital leases.

**Emergency Reserves**

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.**

**PATRIOT PARK METROPOLITAN DISTRICT NO. 2  
DEBT SERVICE REQUIREMENTS TO MATURITY**

**\$3,200,000 Limited Tax General Obligation Bonds**

Issue date February 10, 2021

Principal Due Annually December 1

Interest at 4.300%

Due June 1 and December 1

Year Ending December 31,	Principal	Interest	Total
2023	\$ 40,000	\$ 136,095	\$ 176,095
2024	45,000	134,375	179,375
2025	45,000	132,440	177,440
2026	50,000	130,505	180,505
2027	55,000	128,355	183,355
2028	60,000	125,990	185,990
2029	60,000	123,410	183,410
2030	70,000	120,830	190,830
2031	70,000	117,820	187,820
2032	80,000	114,810	194,810
2033	80,000	111,370	191,370
2034	90,000	107,930	197,930
2035	95,000	104,060	199,060
2036	100,000	99,975	199,975
2037	105,000	95,675	200,675
2038	115,000	91,160	206,160
2039	120,000	86,215	206,215
2040	130,000	81,055	211,055
2041	135,000	75,465	210,465
2042	145,000	69,660	214,660
2043	150,000	63,425	213,425
2044	160,000	56,975	216,975
2045	170,000	50,095	220,095
2046	180,000	42,785	222,785
2047	185,000	35,045	220,045
2048	200,000	27,090	227,090
2049	210,000	18,490	228,490
2050	220,000	9,460	229,460
	<u>\$ 3,165,000</u>	<u>\$ 2,490,560</u>	<u>\$ 5,655,560</u>

No assurance provided. See summary of significant assumptions.

## CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

**TO:** County Commissioners<sup>1</sup> of El Paso County, Colorado.

On behalf of the Patriot Park Metropolitan District No. 2,  
(taxing entity)<sup>A</sup>

the Board of Directors  
(governing body)<sup>B</sup>

of the Patriot Park Metropolitan District No. 2  
(local government)<sup>C</sup>


**Hereby** officially certifies the following mills to be levied against the taxing entity's GROSS \$ 6,830,570 assessed valuation of: (GROSS<sup>D</sup> assessed valuation, Line 2 of the Certification of Valuation Form DLG 57<sup>E</sup>)

**Note:** If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area<sup>F</sup> 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: \$ 6,830,570 (NET<sup>G</sup> 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:** 12/08/2022 for budget/fiscal year 2023.  
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE <small>(see end notes for definitions and examples)</small>	LEVY <sup>2</sup>	REVENUE <sup>2</sup>
1. General Operating Expenses <sup>H</sup>	17.321 mills	\$ 118,312
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction <sup>I</sup>	< > mills	\$ < >
<b>SUBTOTAL FOR GENERAL OPERATING:</b>	17.321 mills	<b>\$ 118,312</b>
3. General Obligation Bonds and Interest <sup>J</sup>	34.642 mills	\$ 236,625
4. Contractual Obligations <sup>K</sup>	_____ mills	\$ _____
5. Capital Expenditures <sup>L</sup>	_____ mills	\$ _____
6. Refunds/Abatements <sup>M</sup>	_____ mills	\$ _____
7. Other <sup>N</sup> (specify): _____	_____ mills	\$ _____
	_____ mills	\$ _____
<b>TOTAL:</b> <small>[ Sum of General Operating Subtotal and Lines 3 to 7 ]</small>	51.963 mills	<b>\$354,937</b>

Contact person: Seef Le Roux Daytime phone: (719) 635-0330

Signed:  Title: Accountant for the District

*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.*

<sup>1</sup> 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.  
<sup>2</sup> 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<sup>J</sup>:**

1.	Purpose of Issue:	Public Improvement
	Series:	Series 2021 Limited Tax General Obligation Bonds
	Date of Issue:	February 10, 2021
	Coupon Rate:	4.30%
	Maturity Date:	December 01, 2050
	Levy:	34.642
	Revenue:	\$236,625

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

**CONTRACTS<sup>K</sup>:**

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:

<sup>A</sup> **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<sup>C</sup>.

<sup>B</sup> **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.

<sup>C</sup> **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.

<sup>D</sup> **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.

<sup>E</sup> **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 25<sup>th</sup> each year and may amend it, one time, prior to December 10<sup>th</sup>. Each entity must use the **FINAL** valuation provided by assessor when certifying a tax levy.

<sup>F</sup> **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.

<sup>G</sup> **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.

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**<sup>H</sup> 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).

**<sup>I</sup> 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.

**<sup>J</sup> 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.

**<sup>K</sup> 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.

**<sup>L</sup> 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.

**<sup>M</sup> 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.

**<sup>N</sup> 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.



Proof of Publication

THE TRANSCRIPT  
Colorado Springs, Colorado

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

I, Amy Sweet, Publisher and Executive Editor, or the undersigned Authorized Agent of the Publisher and Executive Editor, do solemnly swear that I am the Publisher and Executive Editor, or Authorized Agent of the Publisher and Executive Editor 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:

19, OCTOBER, A.D. 2022.

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

19, OCTOBER, A.D. 2022.

In witness whereof, I have hereunto set my hand this 19th day of October, A.D. 2022.

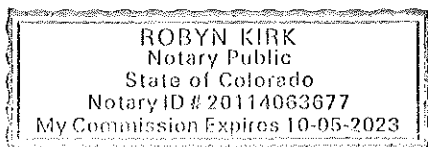
*Amy Sweet*

Publisher and Executive Editor / Authorized Agent

Subscribed and sworn to before me, a notary public in and for the County of El Paso, State of Colorado, this 19th day of October, A.D. 2022.

*Robyn Kirk*

Notary Public



**NOTICE OF HEARING  
ON PROPOSED 2023  
BUDGET AND 2022  
BUDGET AMENDMENT**  
NOTICE IS HEREBY GIVEN that the proposed budget for the ensuing year of 2023 has been submitted to the Patriot Park Metropolitan District No. 2 ("District"). Such proposed budget will be considered at a meeting and public hearing of the Board of Directors of the District to be held at 2:00 p.m. on October 31, 2022 via telephone and videoconference. To attend and participate by telephone, dial +1 720-547-5261 and enter conference ID: 204 294 585#. Information regarding public participation by videoconference will be available at least 24 hours prior to the meeting and public hearing online at www.patriotparkmd.com or by contacting Hannah Phillips by email at Hannah.phillips@ciaconnect.com or by telephone at (719) 635-0330.  
NOTICE IS FURTHER GIVEN that an amendment to the 2022 budget of the District may also be considered at the above-referenced meeting and public hearing of the Board of Directors of the District. A copy of the proposed 2023 budget and the amended 2022 budget, if required, are available for public inspection at the offices of CliftonLarsonAllen, LLP, located at 121 South Tejon Street Suite 1100, Colorado Springs, Colorado 80903. Any interested elector within the District may, at any time prior to final adoption of the 2023 budget and the amended 2022 budget, if required, file or register any objections thereto.  
Patriot Park  
Metropolitan  
District No. 2  
By: *Isi Sam Cameron*  
President  
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