

**RESOLUTION
TO ADOPT 2025 BUDGET, APPROPRIATE SUMS OF MONEY,
AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY
THE SANDS METROPOLITAN DISTRICT NO. 4**

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2025 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 SANDS METROPOLITAN DISTRICT NO. 4, EL PASO COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2025, AND ENDING ON THE LAST DAY OF DECEMBER, 2025,

WHEREAS, the Board of Directors of The Sands Metropolitan District No. 4 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 6, 2024 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 \$81,952 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 \$ 409,778; 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/abatement is \$0; and

WHEREAS, the 2024 valuation for assessment for the District as certified by the County Assessor of El Paso County is \$ 6,413,510; and

WHEREAS, at an election held on November 8, 2016, 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 SANDS METROPOLITAN DISTRICT NO. 4 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 Sands Metropolitan District No. 4 for calendar year 2025.

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 2025 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 2025 budget year, there is hereby levied a tax of 12.778 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2024.

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 2024.

C. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all debt retirement expense of the District during the 2025 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 63.893 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2024.

D. Levy for Contractual Obligations. That for the purposes of meeting the contractual obligation expense of the District during the 2025 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 2024.

E. Levy for Capital Expenditures. That for the purposes of meeting all capital expenditures of the District during the 2025 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 2024.

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 2024.

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.

ADOPTED this 6th day of November, 2024.

THE SANDS METROPOLITAN DISTRICT NO. 4

Jeff Mark

President

ATTEST:

S. Alan Vancil

Secretary

The Sands Metropolitan District No. 4			
General Fund Budget			
Year Ended 12/31/2025			
Modified Accrual Basis			
	2023	2024	2025
	12/31/2023	12/31/2024	Proposed
	Actual	Estimated	Budget
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
REVENUES			
Property Tax	9,239	30,636	81,952
Specific Ownership Tax	972	2,808	7,376
Interest - Delinquent Property Tax	65	9	-
Contingency Income	-	-	1,672
Total Revenues	10,276	33,453	91,000
EXPENDITURES			
County Collection Fee - 1.5% of Property Tax	140	459	1,229
Intergovernmental Expense - District 1 General Fund	10,136	32,994	88,099
Contingency Expense	-	-	1,672
Total Expenses	10,276	33,453	91,000
Excess of Revenues over Expenditures	-	-	-
ENDING FUND BALANCE	\$ -	\$ -	\$ -

The Sands Metropolitan District No. 4			
Capital Fund Budget			
Year Ended 12/31/2025			
Modified Accrual Basis			
	2023	2024	2025
	12/31/2023	12/31/2024	Proposed
	Actual	Estimated	Budget
BEGINNING FUND BALANCE	\$ 58,762	\$ 109,441	\$ -
REVENUES			
Transfer from District 4 Debt Fund	50,679	-	-
Developer Advance	-	8,630,000	-
Bond Issue	-	8,630,000	-
Total Revenues	50,679	17,260,000	-
EXPENDITURES			
Transfer to District 4 Debt Fund	-	106,693	-
Transfer to District 1 Capital Fund	-	8,630,000	-
Bond Issue Costs	-	2,748	-
Repay Developer Advance	-	8,630,000	-
Total Expenses	-	17,369,441	-
Excess of Revenues over Expenditures	50,679	(109,441)	-
ENDING FUND BALANCE	\$ 109,441	\$ -	\$ -

The Sands Metropolitan District No. 4			
Debt Service Fund Budget			
Year Ended 12/31/2025			
Modified Accrual Basis			
	2023	2024	2025
	12/31/2023	12/31/2024	Proposed
	Actual	Estimated	Budget
BEGINNING FUND BALANCE	\$ -	\$ -	\$ 175,612
REVENUES			
Property Tax	46,195	122,545	409,778
Specific Ownership Tax	4,858	11,232	36,880
Interest - Delinquent Property Tax	324	37	-
Intergov Revenue District No. 4 Capital Fund	-	109,684	-
Interest Income - ColoTrust		6,769	10,000
Contingency Income	-	-	1,328
Total Revenues	51,377	250,267	457,986
EXPENDITURES			
County Collection Fee - 1.5% of Property Tax	698	1,839	6,147
Transfer to District 4 Capital Fund	50,679	-	-
Bond interest expense	-	72,816	582,525
Contingency Expense	-	-	1,328
Total Expenses	51,377	74,655	590,000
Excess of Revenues over Expenditures	-	175,612	(132,014)
ENDING FUND BALANCE	\$ -	\$ 175,612	\$ 43,598

The Sands Metropolitan District No. 1 - 4					
Property Taxes					
2024 Valuations for 2025 Taxes					
		District #	District #	District #	District #
		358	359	360	361
	Combined	District No. 1	District No. 2	District No. 3	District No. 4
Vacant Residential Land - Market Value	813,501	104,994	42,304	659,995	6,208
Percentage	29.00%	27.89%	27.89%	27.90%	27.87%
Assessed Value	226,940	29,280	11,800	184,130	1,730
Residential Land & Improvements	205,425,744	-	124,392,171	-	81,033,573
Percentage	6.70%		6.70%		6.70%
Assessed Value	13,763,570		8,334,220	-	5,429,350
Commercial	23,559,262	9,900,065	5,811	13,653,386	3,458,950
Percentage		28%	28%	28%	28%
Assessed Value	7,538,060	2,762,120	1,620	3,809,270	965,050
Natural Resources					279
Percentage					29%
Assessed Value					80
State Assessed	-	-	14,540	13,530	61,930
Percentage	28%	28%	28%	28%	28%
Assessed Value	25,200	-	4,100	3,800	17,300
Total Assessed Value	21,553,770	2,791,400	8,351,740	3,997,200	6,413,510
Mill Levies		52.750	66.621	35.000	76.671
Property Tax to be paid	1,335,281	147,247	556,402	139,902	491,730
Property Tax based on Mill Levy					
Operations & Maintenance	222,679	29,449	111,278	-	81,952
Debt Service	854,901		445,123		409,778
Contractual Obligations	257,699	117,797		139,902	
Total	1,335,279	147,246	556,401	139,902	491,730
Mill Levy Charged					
Operations & Maintenance		10.550	13.324	-	12.778
Debt Service			53.297		63.893
Contractual Obligations		42.200		35.000	
Total		52.750	66.621	35.000	76.671

**THE SANDS METROPOLITAN DISTRICT NO. 4
EL PASO COUNTY, CO
2025 BUDGET MESSAGE
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

The Sands Metropolitan District No. 4 (the “District”) is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act, and was formed in November 2016 in El Paso County. Districts 1, 2 and 3 annexed into the City of Colorado Springs, CO in 2018. District No. 4 is located North East of the intersection of Marksheffel Rd. and Carefree Circle and East of Antelope Ridge in El Paso County, Colorado. It consists of approximately 52.074 acres in El Paso County. The District was organized to provide financing for the design, acquisition, construction and installation of public improvements, facilities and services. The public improvements to be provided by the District are proposed to include the types of facilities and improvements for streets and roadways, street landscaping, signage, monuments, and lighting, safety protection, park and recreation, sanitation and storm drainage, water improvements and other related improvements and their operation and maintenance.

The District has no employees at this time and all operations and administrative functions are contracted.

The following budget is prepared on the modified accrual basis of accounting, in accordance with requirements of Colorado Revised Statutes C.R.S. 29-1-105.

GENERAL FUND

REVENUES

1. Property Taxes are based on the assessed value of property within the District as established by El Paso County. Mill Levies are budgeted for Operations and Maintenance at 12.778 mills.
2. Specific ownership taxes are budgeted at 9% of property taxes collected. These taxes are set by the state and collected by the county treasurer primarily on vehicle licensing within the county as a whole. They are allocated by the County treasurer to all taxing entities within the county.
3. Contingency income is budgeted for possible additional specific ownership taxes.

EXPENDITURES

1. County property tax collection fee is based on 1.5% of the property tax received.
2. Net tax revenues are paid as Intergovernmental Expenses to the General Fund in The Sands Metropolitan District #1.
3. Contingency expense is budgeted for possible additional intergovernmental expenses.

**THE SANDS METROPOLITAN DISTRICT NO. 4
EL PASO COUNTY, CO
2024 BUDGET MESSAGE
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

CAPITAL FUND

REVENUES & EXPENDITURES

1. No revenues or expenditures are budgeted for the Capital Project Fund for 2025.

DEBT SERVICE FUND

REVENUES

1. Property Taxes are based on the assessed value of property within the District as established by El Paso County. Mill Levies are budgeted for District #4 Debt Service at 63.893 mills.
2. Specific ownership taxes are budgeted at 9% of property taxes collected. These taxes are set by the state and collected by the county treasurer primarily on vehicle licensing within the county as a whole. They are allocated by the County treasurer to all taxing entities within the county.
3. Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 4%.
4. Contingency income is budgeted for possible additional specific ownership taxes.

EXPENDITURES

1. County property tax collection fee is based on 1.5% of the property tax received.
2. Interest on the Bond is budgeted in the amount of \$582,525.
3. Contingency expense is budgeted for possible additional expenses.

RESERVES

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year revenues. Since substantially all funds received by the District are transferred to The Sands Metropolitan District #2, an emergency reserve is not reflected in the District's budget.

ADDITIONAL INFORMATION

1. The basis of accounting for the District is the Modified Accrual Basis.
2. There are no operating or capital lease obligations of the District.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of El Paso County, Colorado.

On behalf of the The Sands Metro District No.4
(taxing entity)^A
 the Board of Directors
(governing body)^B
 of the The Sands Metro District No.4
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 6,413,510 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: \$ 6,413,510 (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: 12/11/2024 for budget/fiscal year 2025.
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE <small>(see end notes for definitions and examples)</small>	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	<u>12.778</u> mills	\$ <u>81,952</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	<u>12.778</u> mills	\$ <u>81,952</u>
3. General Obligation Bonds and Interest ^J	<u>63.893</u> mills	\$ <u>409,778</u>
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
	_____ mills	\$ _____
TOTAL: <small>[Sum of General Operating Subtotal and Lines 3 to 7]</small>	<u>76.671</u> mills	\$ <u>491,730</u>

Contact person: Seef Le Roux Daytime phone: () 719-635-0330
 Signed: *Seef Le Roux* Title: Accountant for 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.

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:	Public Infrastructure	
	Series:	Series 2024	
	Date of Issue:	October 15, 2024	
	Coupon Rate:	6.750%	
	Maturity Date:	October 1, 2054	
	Levy:	63.893	
	Revenue:	\$409,778	
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.