

CERTIFICATION OF BUDGET

TO: THE DIVISION OF LOCAL GOVERNMENT

This is to certify that the budget, attached hereto, is a true and accurate copy of the budget for Horse Creek Metropolitan District, for the budget year ending December 31, 2026, as adopted on December 3, 2025.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of Horse Creek Metropolitan District, Douglas County, Colorado, this 3rd day of December, 2025.





Chair

RESOLUTION NO. 2025-12-01

HORSE CREEK METROPOLITAN DISTRICT

RESOLUTION TO ADOPT 2026 BUDGET

WHEREAS, the Board of Directors (the “**Board**”) of Horse Creek Metropolitan District (the “**District**”) has appointed a budget committee to prepare and submit a proposed 2026 budget to the Board at the proper time; and

WHEREAS, upon due and proper notice, published in accordance with law, the budget was open for inspection by the public at a designated place, and a public hearing was held on December 3, 2025, and interested electors were given the opportunity to file or register any objections to the budget; and

WHEREAS, such budget committee submitted the proposed budget to the Board prior to the date of this public hearing for its consideration; and

WHEREAS, the budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, enterprise, reserve transfer and expenditure exemptions, under Article X, Section 20 of the Colorado Constitution (“**TABOR**”) and other laws or obligations which are applicable to or binding upon the District; and

WHEREAS, whatever decreases may have been made in the revenues, like decreases were made to the expenditures so that the budget remains in balance, as required by law.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Horse Creek Metropolitan District:

1. That estimated expenditures for each fund are as follows:

General Fund:	\$	58,542
Debt Service Fund:	\$	246,039
Total	\$	304,581

2. That estimated revenues are as follows:

General Fund:

From unappropriated surpluses	\$	261,028
From fund transfers	\$	0
From sources other than general property tax	\$	12,999
From general property tax	\$	49,985
Total	\$	324,012

Debt Service Fund:

From unappropriated surpluses	\$	611,071
From fund transfers	\$	0
From sources other than general property tax	\$	34,396
From general property tax	\$	239,928
Total	\$	885,395

3. That the budget, as submitted, amended and herein summarized by fund, and the same hereby is, approved and adopted as the budget of the District for the 2026 fiscal year.

4. That the budget, as hereby approved and adopted, shall be certified by the Treasurer and/or President of the District to all appropriate agencies and is made a part of the public records of the District.

TO SET MILL LEVIES

WHEREAS, the amount of money from property taxes necessary to balance the budget for general operating expenses is \$49,985; and

WHEREAS, the amount of money necessary to balance the budget for debt service expenses is \$239,928; and

WHEREAS, the 2025 valuation for assessment of the District, as certified by the County Assessor, is \$19,995,930.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Horse Creek Metropolitan District:

1. That for the purpose of meeting all general operating expenses of the District during the 2026 budget year, there is hereby levied a property tax, inclusive of the mill levy for refunds and abatements, of 2.500 mills upon each dollar of the total valuation for assessment of all taxable property within the District to raise \$49,985.

2. That for the purpose of meeting all debt service expenses of the District during the 2026 budget year, there is hereby levied a property tax of 12.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District to raise \$239,928.

3. That the Treasurer and/or President of the District is hereby authorized and directed to immediately certify to the County Commissioners of Douglas County, Colorado, the mill levies for the District as hereinabove determined and set, or as adjusted, if necessary, upon receipt of the final (December) certification of valuation from the county assessor in order to comply with any applicable revenue and other budgetary limits.

TO APPROPRIATE SUMS OF MONEY

WHEREAS, the Board has made provision in the budget for revenues in an amount equal to the total proposed expenditures as set forth therein; and

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, as more fully set forth in the budget, including any inter-fund transfers listed therein, so as not to impair the operations of the District.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Horse Creek Metropolitan District that the following sums are hereby appropriated from the revenues of each fund, to each fund, for the purposes stated in the budget:

General Fund:	\$	58,542
Debt Service Fund:	\$	246,039
Total	\$	304,581

Adopted this 3rd day of December, 2025.

HORSE CREEK METROPOLITAN DISTRICT

By:  _____
Chair

Attest:



Secretary

HORSE CREEK METROPOLITAN DISTRICT

2026 Budget Message

Introduction

The District was formed in 2004 for the purpose of providing design, financing, acquisition, and construction, of certain infrastructure improvements including water, streets, and sanitary sewer. All improvements constructed by the District have been conveyed to other governmental entities for perpetual maintenance.

The 2026 budget was prepared in accordance with the Local Government Budget Law of Colorado. The budget reflects the projected spending plan for the 2026 fiscal year based on available revenues. This budget provides for the annual debt service of the District's debt as well as the general operation of the District.

The District's assessed value decreased to \$19,994,030 in 2025 from \$20,806,330 in 2024. The District's mill levy was certified at 14.500 mills for taxes to be collected in the 2025 fiscal year with 12.000 mills dedicated to the Debt Service Fund and 2.500 mills dedicated to the General Fund.

Budgetary Basis of Accounting

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 paid.

Fund Summaries

General Fund is used to account for resources traditionally associated with government such as property taxes, specific ownership tax and expenditures which include district administration, legal services, and other expenses related to statutory operations of a local government.

Debt Service Fund is used to account for property taxes and other revenues dedicated to pay the fiscal year's debt expense which includes principal payments, interest payments, and administrative costs associated with debt issues. On July 20, 2021 the District refunded the Series 2013 General Obligation Refunding Bonds by entering into a Taxable (Converting to Tax-Exempt) Promissory Note, Series 2021 Below is a summary of the District's long-term debt under the Promissory Note, Series 2021.

Summary of Debt Outstanding

Taxable (Converting to Tax-Exempt) Promissory Note			
Series 2021			
\$3,730,000			
Year	Principal	Interest	Annual Total
2025	\$ 145,000	\$ 87,582	\$ 232,583
2026	155,000	83,740	238,740
2027	155,000	79,632	234,632
2028	165,000	75,525	240,525
2029-2033	975,000	305,810	1,280,810
2034-2038	1,210,000	164,697	1,374,697
2039-2040	500,000	19,742	519,742
Total	\$3,305,000	\$816,728	\$4,121,729

Emergency Reserve

As required by the TABOR amendment to the Colorado Constitution, the District has provided for an Emergency Reserve in the amount of 3% of the total fiscal year revenues in the General Fund.

Property Tax Revenue Growth Limitation (5.25%)

Pursuant to SB24-233 and HB24B-1001, beginning with the 2026 budget year, the District is subject to a statutory 5.25% Property Tax Revenue Growth Limitation. This limitation restricts annual growth in the District’s qualified property tax revenue, which excludes revenue attributable to voter-approved debt service, new construction, changes in valuation due to law, and other statutorily excluded categories. The District has evaluated this limitation and prepared the budget in compliance with the allowable revenue growth. Debt service mill levies are excluded from the 5.25% limitation and continue to be levied as necessary to meet bond obligations.

HORSE CREEK METROPOLITAN DISTRICT
Assessed Value, Property Tax and Mill Levy Information

	2024 Actual	2025 Adopted Budget	2026 Adopted Budget
Assessed Valuation	\$ 20,812,060	\$ 20,806,330	\$ 19,994,030
Mill Levy			
General Fund	4.500	2.500	2.500
Debt Service Fund	18.593	12.000	12.000
Total Mill Levy	23.093	14.500	14.500
Property Taxes			
General Fund	\$ 93,654	\$ 52,016	\$ 49,985
Debt Service Fund	386,959	249,676	239,928
Temporary Mill Levy Reduction	-	-	-
Actual/Budgeted Property Taxes	\$ 480,613	\$ 301,692	\$ 289,913

HORSE CREEK METROPOLITAN DISTRICT

GENERAL FUND

2026 Adopted Budget

with 2024 Actual, 2025 Adopted Budget and 2025 Estimated

	2024 Actual	2025 Adopted Budget	2025 Estimated	2026 Adopted Budget
BEGINNING FUND BALANCE	\$ 170,244	\$ 228,544	\$ 244,163	\$ 261,028
REVENUE				
Property Tax Revenue	94,343	52,016	52,016	49,985
Specific Ownership Taxes	7,015	3,121	3,121	2,999
Interest Income	8,571	10,000	10,000	10,000
Total Revenue	109,929	65,137	65,137	62,984
Total Funds Available	280,173	293,681	309,300	324,012
EXPENDITURES				
Accounting	11,804	14,800	14,800	14,800
District Management	9,393	9,900	9,900	9,900
Audit	4,800	5,500	4,800	5,000
Director's Fees	200	1,200	1,000	1,000
Insurance/SDA Dues	3,419	3,900	3,900	4,000
Legal	4,015	10,000	10,000	10,000
Election	-	1,000	1,000	1,000
Miscellaneous	871	2,000	2,000	2,000
Payroll Taxes	92	92	92	92
Treasurer's Fees	1,416	780	780	750
Contingency	-	5,000	-	10,000
Total Expenditures	36,010	54,172	48,272	58,542
TRANSFERS AND OTHER SOURCES (USES)				
Emergency Reserve	-	(1,954)	-	(1,890)
Total Expenditures Requiring Appropriation	36,010	56,126	48,272	60,431
ENDING FUND BALANCE	\$ 244,163	\$ 237,555	\$ 261,028	\$ 263,581

HORSE CREEK METROPOLITAN DISTRICT

DEBT SERVICE FUND

2026 Adopted Budget

with 2024 Actual, 2025 Adopted Budget and 2025 Estimated

	2024 Actual	2025 Adopted Budget	2025 Estimated	2026 Adopted Budget
BEGINNING FUND BALANCE	\$ 263,506	\$ 555,627	\$ 560,942	\$ 611,071
REVENUE				
Property Tax Revenue	484,148	249,676	249,676	239,928
Specific Ownership Taxes	36,000	14,981	14,981	14,396
Interest Income	20,978	22,000	22,000	20,000
Total Revenue	<u>541,126</u>	<u>286,657</u>	<u>286,657</u>	<u>274,324</u>
Total Funds Available	<u>804,632</u>	<u>842,284</u>	<u>847,599</u>	<u>885,395</u>
EXPENDITURES				
Loan Principal	145,000	145,000	145,000	155,000
Loan Interest	91,425	87,583	87,583	83,740
Paying Agent-Remarket Fees	-	2,000	-	-
Treasurer's Fees	7,266	3,745	3,745	3,599
Bank Fees	-	200	200	200
Contingency	-	3,500	-	3,500
Total Expenditures	<u>243,691</u>	<u>242,028</u>	<u>236,528</u>	<u>246,039</u>
Total Expenditures Requiring Appropriation	<u>243,691</u>	<u>242,028</u>	<u>236,528</u>	<u>246,039</u>
ENDING FUND BALANCE	\$ 560,942	\$ 600,255	\$ 611,071	\$ 639,356

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Douglas County, Colorado.

On behalf of the Horse Creek Metropolitan District,
(taxing entity)^A
 the Board of Directors,
(governing body)^B
 of the Horse Creek Metropolitan District,
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 19,994,030 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: \$ 19,994,030 (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: 12/05/2025 for budget/fiscal year 2026.
(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	2.500 mills	\$ 49,985
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< 0.000 > mills	\$ < 0 >
SUBTOTAL FOR GENERAL OPERATING:	2.500 mills	\$ 49,985
3. General Obligation Bonds and Interest ^J	12.000 mills	\$ 239,928
4. Contractual Obligations ^K	0.000 mills	\$ 0
5. Capital Expenditures ^L	0.000 mills	\$ 0
6. Refunds/Abatements ^M	0.000 mills	\$ 0
7. Other ^N (specify): _____	0.000 mills	\$ 0
	_____ mills	\$ _____
TOTAL: <small>[Sum of General Operating Subtotal and Lines 3 to 7]</small>	14.500 mills	\$ 289,913

Contact person: Kaitlyn Toman Daytime phone: (303) 987-0835
 (print)
 Signed: *Kaitlyn Toman* Title: District Accountant

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:	<u>Refunding</u>
	Series:	<u>Taxable (Convertible to Tax-Exempt) Promissory Note, Series 2021</u>
	Date of Issue:	<u>July 20, 2021</u>
	Coupon Rate:	<u>Varies</u>
	Maturity Date:	<u>December 1, 2040</u>
	Levy:	<u>12.000</u>
	Revenue:	<u>\$239,928</u>
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.

Notes:

^A **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^C.

^B **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.

^C **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.

^D **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.

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

^F **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.

^G **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.

^H 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).

^I 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.

^J 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.

^K 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.

^L 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.

^M 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.

^N 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.