

RESOLUTION NO. 2025 - 10 - 01
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE VILLAGES AT SOUTHGATE METROPOLITAN DISTRICT
TO ADOPT THE 2026 BUDGET AND APPROPRIATE SUMS OF MONEY

WHEREAS, the Board of Directors of the Villages at Southgate Metropolitan District ("District") has appointed the District Accountant to prepare and submit a proposed 2026 budget to the Board at the proper time; and

WHEREAS, the District Accountant has submitted a proposed budget to this Board on or before October 15, 2025, for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place at the office of the District Manager, interested electors of the District were given the opportunity to file or register any objections to the proposed budget, and a public hearing was held on October 22, 2025. The meeting was held via Zoom video call.

WHEREAS, the budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, reserve transfers 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 increases may have been made in the expenditures, like increases were added to the revenues or were planned to be expended from reserve fund balances so that the budget remains in balance, as required by law.

WHEREAS, the Board of Directors of the District has made provisions therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget; 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 Villages at Southgate Metropolitan District:

1. That the budget as submitted, amended, and summarized by fund, hereby is approved and adopted as the budget of the Villages at Southgate Metropolitan District for the 2026 fiscal year.
2. That the budget, as hereby approved and adopted, shall be certified by the Secretary of the District to all appropriate agencies and filed in accordance with applicable law, and is made a part of the public records of the District.

3. That the sums set forth as the total expenditures of each fund in the budget attached hereto as EXHIBIT A and incorporated herein by reference are hereby appropriated from the revenues of each fund, within each fund, for the purposes stated.

ADOPTED this 22nd day of October, 2025.

THE VILLAGES AT SOUTHGATE
METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado

Kevin Amolsch

President

ATTEST:

Jared Seidenberg

Secretary

**VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2026**



SCHILLING & COMPANY, INC.

Certified Public Accountants

P.O. Box 631579
HIGHLANDS RANCH, CO 80163

PHONE: 720.348.1086
FAX: 720.348.2920

Accountant's Compilation Report

Board of Directors
Village at SouthGate Metropolitan District
Adams County, Colorado

Management is responsible for the accompanying budget of revenues, expenditures, and fund balances of Village at SouthGate Metropolitan District (District), for the year ending December 31, 2026, including the estimate of comparative information for the year ending December 31, 2025, and the actual comparative information for the year ending December 31, 2024, in the format required by Colorado Revised Statutes (C.R.S.) 29-1-105. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the budget nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the accompanying budget.

The actual comparative information for the year ending December 31, 2024 is presented for comparative purposes as required by Colorado Revised Statutes (C.R.S.) 29-1-105. Such information is taken from the audited financial statements of the District for the year ended December 31, 2024. Dazzio & Associates, PC audited the financial statements for the year ended December 31, 2024, whose report was dated July 14, 2025.

The budget is presented in accordance with the requirements of Colorado Revised Statutes (C.R.S.) 29-1-105 and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

We are not independent with respect to Village at SouthGate Metropolitan District.

SCHILLING & COMPANY, INC.

Highlands Ranch, Colorado
December 12, 2025

**VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
For the Years Ended and Ending December 31,**

	ACTUAL 2025	ESTIMATED 2025	ADOPTED BUDGET 2026
ASSESSED VALUATION			
Certified Assessed Value	<u>\$ 10,143,940</u>	<u>\$ 10,139,840</u>	<u>\$ 9,953,500</u>
MILL LEVY			
General - Operations Mill Levy	11.803	11.802	12.610
Debt Service - Senior Bonds Mill Levy	<u>47.212</u>	<u>47.210</u>	<u>50.441</u>
Total mill levy	<u>59.015</u>	<u>59.012</u>	<u>63.051</u>
PROPERTY TAXES			
General Fund	\$ 119,729	\$ 119,670	\$ 125,514
Debt Service - Senior Bonds Mill Levy	<u>478,916</u>	<u>478,702</u>	<u>502,064</u>
Levied property taxes	598,645	598,372	627,578
Adjustments to actual/rounding	4,371	64	-
Actual/budgeted property taxes	<u>\$ 603,016</u>	<u>\$ 598,436</u>	<u>\$ 627,578</u>
BUDGETED OR ACTUAL PROPERTY TAXES BY FUND			
General Fund	\$ 120,603	\$ 119,670	\$ 125,514
Debt Service	<u>482,413</u>	<u>478,766</u>	<u>502,064</u>
	<u>\$ 603,016</u>	<u>\$ 598,436</u>	<u>\$ 627,578</u>

This financial information should be read only in connection with the accompanying
accountant's compilation report and the summary of significant assumptions.

**VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT
GENERAL FUND
2026 BUDGET AS ADOPTED
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,**

	ACTUAL 2024	ESTIMATED 2025	ADOPTED BUDGET 2026
BEGINNING FUND BALANCE	\$ 43,264	\$ 84,598	\$ 81,423
REVENUE			
Property tax	120,603	119,670	125,514
Specific ownership tax	5,908	5,952	5,021
Net investment income	4	12	100
Total revenue	<u>126,515</u>	<u>125,634</u>	<u>130,635</u>
EXPENDITURES			
General Government			
Legal	16,211	21,490	25,000
Accounting	9,077	10,745	12,000
Audit	5,400	5,600	5,800
Management services	20,333	16,056	20,000
Engineering/consulting	28,840	2,279	10,000
Insurance	2,671	2,076	3,000
Office supplies and postage	36	-	-
Election	314	3,212	1,000
Bank service charges	150	180	200
Dues and subscriptions	340	376	500
Treasurer's fees	1,809	1,795	1,883
Total expenditures	<u>85,181</u>	<u>63,809</u>	<u>99,383</u>
OTHER FINANCING USES			
Transfer to Operations and Maintenance Fee Fund	-	65,000	77,000
Total other financing uses	<u>-</u>	<u>65,000</u>	<u>77,000</u>
Total expenditures requiring appropriation	<u>85,181</u>	<u>128,809</u>	<u>176,383</u>
ENDING FUND BALANCE	\$ 84,598	\$ 81,423	\$ 35,675
EMERGENCY RESERVE	\$ 3,795	\$ 3,770	\$ 3,920

This financial information should be read only in connection with the accompanying accountant's compilation report and the summary of significant assumptions.

**VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT
OPERATIONS AND MAINTENANCE FEE - SPECIAL REVENUE FUND
2026 BUDGET AS ADOPTED
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,**

	ACTUAL 2024	ESTIMATED 2025	ADOPTED BUDGET 2026
BEGINNING FUND BALANCE	\$ 57,806	\$ (43,581)	\$ (36,036)
REVENUE			
Operations and maintenance fees	208,200	239,300	241,920
Late fees and penalties	5,745	4,365	5,000
Silo and barn rental fees	1,725	3,075	3,500
Property conveyance fee	-	-	2,250
Total revenue	<u>215,670</u>	<u>246,740</u>	<u>252,670</u>
OTHER FINANCING SOURCES			
Transfer from General Fund	-	65,000	77,000
Total other financing sources	<u>-</u>	<u>65,000</u>	<u>77,000</u>
Total funds available	<u>273,476</u>	<u>268,159</u>	<u>293,634</u>
EXPENDITURES			
General Government			
Legal	835	6,683	6,700
Management services	39,085	36,422	37,000
Delinquent account collection services	-	10,000	15,000
Landscape maintenance:			
Monthly contract	52,800	62,400	67,000
Irrigation repairs	20,673	18,804	19,000
Special projects	34,915	29,850	-
Landscape improvements	69,300	-	-
Snow removal	4,579	8,380	8,500
Utilities:			
Water	93,132	126,851	127,000
Electrical - Silo and Barn	1,738	1,616	1,700
Electrical - Irrigation	-	1,068	1,200
Maintenance - Barn	-	2,121	2,500
Total expenditures	<u>317,057</u>	<u>304,195</u>	<u>285,600</u>
Total expenditures requiring appropriation	<u>317,057</u>	<u>304,195</u>	<u>285,600</u>
ENDING FUND BALANCE	<u>\$ (43,581)</u>	<u>\$ (36,036)</u>	<u>\$ 8,034</u>
EMERGENCY RESERVE	<u>\$ 6,470</u>	<u>\$ 7,402</u>	<u>\$ 7,580</u>
FUND BALANCE AS % OF ANNUAL EXPENDITURES	<u>-14%</u>	<u>-12%</u>	<u>3%</u>

This financial information should be read only in connection with the accompanying accountant's compilation report and the summary of significant assumptions.

VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT
DEBT SERVICE FUND
2026 BUDGET AS ADOPTED
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

	ACTUAL 2024	ESTIMATED 2025	ADOPTED BUDGET 2026
BEGINNING FUND BALANCE	\$ 776,860	\$ 775,071	\$ 788,622
REVENUE			
Property tax	482,413	478,766	502,064
Specific ownership tax	23,630	23,810	20,083
Interest income	51,886	39,680	45,000
Total revenue	<u>557,929</u>	<u>542,256</u>	<u>567,147</u>
Total funds available	<u>1,334,789</u>	<u>1,317,327</u>	<u>1,355,769</u>
EXPENDITURES			
Bank service charges	2,436	2,136	2,200
Treasurer's fees	7,236	7,182	7,531
2018A Senior Bonds:			
Principal	45,000	50,000	55,000
Interest	231,469	228,937	226,125
2018B Subordinate Bonds:			
Principal	221,000	205,000	175,000
Interest	46,577	29,450	13,563
Paying agent fees	6,000	6,000	6,000
Contingency	-	-	30,000
Total expenditures	<u>559,718</u>	<u>528,705</u>	<u>515,419</u>
Total expenditures requiring appropriation	<u>559,718</u>	<u>528,705</u>	<u>515,419</u>
ENDING FUND BALANCE	\$ 775,071	\$ 788,622	\$ 840,350
REQUIRED RESERVE	<u>\$ 343,906</u>	<u>\$ 343,906</u>	<u>\$ 343,906</u>
MAXIMUM SURPLUS AMOUNT	<u>\$ 415,000</u>	<u>\$ 415,000</u>	<u>\$ 415,000</u>

This financial information should be read only in connection with the accompanying accountant's compilation report and the summary of significant assumptions.

**VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Disclosures contained in this summary as presented by management, are those that are believed to be significant as of the date of the compilation report and are not intended to be all-inclusive. The disclosures are intended to describe assumptions used during the preparation of the 2026 annual budget. Actual results may differ from the prospective results contained in the budget.

SERVICES PROVIDED

The Village at SouthGate Metropolitan District (the "District"), was organized in Adams County to provide financing to construct and install local and regional public improvements for the Village at SouthGate Development, including potable water and sewer lines larger than 12" in diameter; storm drainage facilities; the full width of major and minor arterial and collector roadways; community parks; and recreational facilities and services.

The District prepares its budget on the modified accrual basis of accounting.

REVENUE

Property Tax

Property taxes are forecasted based on the mill levy adopted applied to the annual assessed valuation. The calculation of the taxes levied is displayed on page 2 of the budget at the adopted total mill levy as adjusted for changes in the assessment rates. The base mill levy rate is 50.000 mills is comprised of the Required Mill Levy for the Limited Tax General Obligation Bonds Series 2018A and Subordinate Limited Tax General Obligation Bonds Series 2018B in the Debt Service Fund of 40.000 mills and the Operations Mill Levy of 10.000 in the General Fund. The mill levies are subject to and have been adjusted for changes in the ratio of actual valuation to assessed valuation.

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 4% of the property taxes collected.

Operations and Maintenance Fees

Effective June 1, 2021, the District imposed a monthly maintenance fee of \$60 per single family home, which is billed quarterly in the amount of \$180 per single family home. For 2025, the District has adjusted the quarterly rate by CPI, which increased the fee to \$207 per quarter. For 2026, the District has adjusted the quarterly rate by CPI, which increased the fee to \$210 per quarter.

Net Investment Income

Net investment income earned on the District's available funds has been estimated based on net investment income from the prior year.

**VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

EXPENDITURES

Administrative Expenditures

Administrative expenditures have been provided based on estimates of the District's Board of Directors and consultants and include the services necessary to maintain the District's administrative viability such as legal, accounting, managerial, insurance, meeting expense, and other administrative expenses.

Utilities and Maintenance Expenditures

The District is responsible for the water service charges related to certain open space parcels. The District is also responsible for electrical services for a barn, a silo, and certain irrigation equipment, landscape maintenance, and snow removal. The 2026 expenses are based on 2025 costs incurred by the District.

DEBT AND LEASES

During 2018, the District issued \$4,150,000 of Limited Tax General Obligation Bonds Series 2018A which bear interest at 5.625% and \$764,000 of Subordinate Limited Tax General Obligation Bonds Series 2018B which bear interest at 7.750%. Mandatory sinking fund redemptions begin on the 2018A bonds in 2023 while the 2018B bonds have no required debt service payments until 2048. The Schedule of Debt Service Requirements included on page 8 is based on the Financial Forecast (prepared in conjunction with the bond issuance), based on the assumptions more particularly set forth therein.

The District has no operating or capital leases.

RESERVES

The District has provided for an emergency reserve fund of at least 3% of fiscal year spending for 2026, as defined under TABOR.

This information is an integral part of the accompanying budget.

VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS

Year ended December 31,	\$4,150,000		\$764,000		Annual Total	
	Limited Tax General Obligation Bonds Series 2018A Bearing Interest at 5.625%		Subordinate Limited Tax General Obligation Bonds Series 2018B Bearing Interest at 7.750%			
	Principal (1)	Interest	Principal (2)	Interest (2)		
2026	\$ 55,000.00	\$ 226,125.00	\$ 175,000.00	\$ 13,563.00	\$ 469,688.00	
2027	60,000.00	223,031.26	-	-	283,031.26	
2028	70,000.00	219,656.26	-	-	289,656.26	
2029	75,000.00	215,718.76	-	-	290,718.76	
2030	85,000.00	211,500.00	-	-	296,500.00	
2031	90,000.00	206,718.76	-	-	296,718.76	
2032	100,000.00	201,656.26	-	-	301,656.26	
2033	105,000.00	196,031.26	-	-	301,031.26	
2034	115,000.00	190,125.00	-	-	305,125.00	
2035	125,000.00	183,656.26	-	-	308,656.26	
2036	135,000.00	176,625.00	-	-	311,625.00	
2037	145,000.00	169,031.26	-	-	314,031.26	
2038	160,000.00	160,875.00	-	-	320,875.00	
2039	165,000.00	151,875.00	-	-	316,875.00	
2040	185,000.00	142,593.76	-	-	327,593.76	
2041	195,000.00	132,187.50	-	-	327,187.50	
2042	210,000.00	121,218.76	-	-	331,218.76	
2043	225,000.00	109,406.26	-	-	334,406.26	
2044	240,000.00	96,750.00	-	-	336,750.00	
2045	255,000.00	83,250.00	-	-	338,250.00	
2046	275,000.00	68,906.26	-	-	343,906.26	
2047	290,000.00	53,437.50	-	-	343,437.50	
2048	660,000.00	37,125.00	-	-	697,125.00	
	\$ 4,020,000.00	\$ 3,577,500.12	\$ 175,000.00	\$ 13,563.00	\$ 7,786,063.12	

(1) - Assumes that mandatory sinking fund redemption payments are made but assumes no optional redemptions occur.

(2) - Includes the estimated payment of principal and interest on December 15 of each year indicated. The 2018B Subordinate Bonds have no fixed principal payment amounts due prior to maturity. The payments with respect to the 2018B Subordinate Bonds shown above reflect the estimated principal and interest payments taking into account payments made in the years 2018 through 2024 and the estimated payments shown on Exhibit III of the Financial Forecast as included as Appendix C to the Limited Offering Memorandum dated May 3, 2019 related to the issuance of the bonds. These payments, however, are only estimated amounts as and no assurance is given that the principal and interest on the 2018B Subordinate Bonds will be paid as set forth in this table from pledged revenues.

This information is an integral part of the accompanying budget.

RESOLUTION NO. 2025 - 10 - 02
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT
TO SET MILL LEVIES

WHEREAS, the Board of Directors of the Village at Southgate Metropolitan District (“District”) has adopted the 2026 annual budget in accordance with the Local Government Budget Law on October 22, 2025; and

WHEREAS, the adopted budget is attached to the Resolution of the Board of Directors to Adopt the 2026 Budget and Appropriate Sums of Money, and such budget is incorporated herein by this reference; and

WHEREAS, the amount of money necessary to balance the budget for general fund expenses from property tax revenue is identified in the budget; and

WHEREAS, the amount of money necessary to balance the budget for debt service fund expenses from property tax revenue is identified in the budget; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Village at Southgate

1. That for the purposes of meeting all general fund expenses of the District during the 2026 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

2. That for the purposes of meeting all debt service fund expenses of the District during the 2026 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

3. That the District Accountant of the District is hereby authorized and directed to immediately certify to the County Commissioners of Adams County, Colorado, the mill levies for the District as set forth in the District’s Certification of Tax Levies (attached hereto as EXHIBIT A and incorporated herein by reference), 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.

ADOPTED this 22nd day of October, 2025.

Jared Seidenberg

Secretary

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of _____ Adams County _____, Colorado.
On behalf of the _____ Village at SouthGate Metropolitan District _____,
the _____ (taxing entity)^A
of the _____ Board of Directors _____ (governing body)^B
of the _____ Village at SouthGate Metropolitan District _____ (local government)^C

Hereby officially certifies the following mills
to be levied against the taxing entity's GROSS \$ 9,953,500
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: \$ **9,953,500**

(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: 12/12/2025 for budget/fiscal year 2026
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY²	REVENUE²
1. General Operating Expenses ^H	12.610	mills \$ 125,514
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< <hr/> 12.610	> mills \$ < <hr/> 125,514
SUBTOTAL FOR GENERAL OPERATING:	12.610	mills \$ 125,514
3. General Obligation Bonds and Interest ^J	50.441	mills \$ 502,064
4. Contractual Obligations ^K		mills \$
5. Capital Expenditures ^L		mills \$
6. Refunds/Abatements ^M		mills \$
7. Other ^N (specify): _____		mills \$ _____
		mills \$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	63.051	mills \$ 627,578

Contact person:
(print) Neil Schilling Daytime
phone: () 720-348-1086

Signed: _____ Title: Contracted Accountant/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) 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:

Finance Construction of Certain Public Improvements

Ltd Tax GO Bonds Ser. 2018A & Subordinate Limited Tax GO Bonds Ser. 2018B

Series:

5/10/2018

Date of Issue:

5.625% & 7.750%

Coupon Rate:

12/1/2048 & 12/15/2040

Maturity Date:

50.441

Levy:

\$502,064

Revenue:

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.