

ANNUAL INFORMATION REPORT

FOR THE YEAR 2021

COLORADO CROSSING METROPOLITAN DISTRICT NO. 3

Pursuant to Section VII of the Consolidated Service Plans approved by the City of Colorado Springs, Colorado on August 1, 2006, as amended.

1. **Boundary changes made or proposed to the District's boundary as of December 31 of the prior year.** There were no boundary changes made or proposed during 2021.
2. **Intergovernmental Agreements with other governmental entities either entered into or proposed as of December 31 of the prior year:** The District has entered into the following Intergovernmental Agreements as of December 31, 2021:
 - Exclusion Agreement dated February 8, 2019 among Colorado Crossing Metropolitan District Nos. 1, 2 and 3, Interquest Westside LLC and In-N-Out Burgers
 - Operations Pledge Agreement dated July 11, 2017 among Colorado Crossing Metropolitan District Nos. 1, 2 and 3.
 - Amended and Restated Intergovernmental Agreement effective July 11, 2017 among Colorado Crossing Metropolitan District Nos. 1, 2 and 3.
 - Capital Pledge Agreement (A-1) dated December 23, 2020, by and among Colorado Crossing Metropolitan District Nos. 1, 2, 3 and UMB Bank, n.a.
 - Capital Pledge Agreement (A-2/B-2) dated December 23, 2020, by and among Colorado Crossing Metropolitan District Nos. 1, 2, 3 and UMB Bank, n.a.
3. **Copies of the District's rules and regulations, if any, as of December 31, of the prior year.** The District has not adopted any rules and regulations.
4. **A summary of any litigation which involves the District's Public Improvements as of December 31 of the prior year.** None.
5. **Status of the District's construction of the Public Improvements as of December 31 for the prior year.** No capital improvements were constructed by the District in 2021.
6. **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 prior year.**
There have been no facilities or improvements constructed by the District dedicated to and accepted by the City as of December 31, 2021.
7. **The assessed valuation of the District for the current year.** Attached as Exhibit A.
8. **Current year budget including a description of the Public Improvements to be constructed in such year.** No public improvements are anticipated to be constructed by the District in 2022. The 2022 Budget is attached hereto as Exhibit B.

- 9. Audit for the District's financial statements, for the year ending December 31 of the previous year, prepared in accordance with generally accepted accounting principles or audit exemption, if applicable.** The 2021 Audit is in process and will be provided once complete.
- 10. Notice of any uncured events of non-compliance by the District, which continue beyond a ninety (90) day period, under any Debt instrument.** The District was not in default under any Debt instrument during 2021.
- 11. Any inability of the 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.** The District did not have any inability to pay its obligations as they came due during 2021.
- 12. Copies of any Certifications of an External Financial Advisor provided as required by the Privately Placed Debt Limitation provision.** Not applicable.

EXHIBIT A

CERTIFICATION OF VALUATION BY EL PASO COUNTY ASSESSOR

New Tax Entity? YES NODate November 24, 2021**NAME OF TAX ENTITY:** COLORADO CROSSING METRO #3
USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATION ("5.5%" LIMIT) ONLY

IN ACCORDANCE WITH 39-5-121(2)(a) and 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2021 :

1.	PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:		1.	\$	3,693,620
2.	CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: ‡		2.	\$	12,240,050
3.	LESS TOTAL TIF AREA INCREMENTS, IF ANY:		3.	\$	0
4.	CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:		4.	\$	12,240,050
5.	NEW CONSTRUCTION: *		5.	\$	646,610
6.	INCREASED PRODUCTION OF PRODUCING MINE: ≈		6.	\$	0
7.	ANNEXATIONS/INCLUSIONS:		7.	\$	0
8.	PREVIOUSLY EXEMPT FEDERAL PROPERTY: ≈		8.	\$	0
9.	NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-1-301(1)(b), C.R.S.): ☐		9.	\$	0
10.	TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(a), C.R.S.). Includes all revenue collected on valuation not previously certified:		10.	\$	0.00
11.	TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a), C.R.S.) and (39-10-114(1)(a)(I)(B), C.R.S.):		11.	\$	0.00

‡ This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec. 20(8)(b), Colo. Constitution

* New Construction is defined as: Taxable real property structures and the personal property connected with the structure.

≈ Jurisdiction must submit to the Division of Local Government respective Certifications of Impact in order for the values to be treated as growth in the limit calculation; use Forms DLG 52 & 52A.

☐ Jurisdiction must apply to the Division of Local Government before the value can be treated as growth in the limit calculation; use Form DLG 52B.

USE FOR TABOR "LOCAL GROWTH" CALCULATION ONLY

IN ACCORDANCE WITH ART.X, SEC.20, COLO. CONSTUTION AND 39-5-121(2)(b), C.R.S., THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2021 :

1.	CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: ¶		1.	\$	40,308,174
ADDITIONS TO TAXABLE REAL PROPERTY					
2.	CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: *		2.	\$	2,229,684
3.	ANNEXATIONS/INCLUSIONS:		3.	\$	0
4.	INCREASED MINING PRODUCTION: §		4.	\$	0
5.	PREVIOUSLY EXEMPT PROPERTY:		5.	\$	0
6.	OIL OR GAS PRODUCTION FROM A NEW WELL:		6.	\$	0
7.	TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: (If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.):		7.	\$	0

DELETIONS FROM TAXABLE REAL PROPERTY

8.	DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:		8.	\$	0
9.	DISCONNECTIONS/EXCLUSIONS:		9.	\$	0
10.	PREVIOUSLY TAXABLE PROPERTY:		10.	\$	0

¶ This includes the actual value of all taxable real property plus the actual value of religious, private school, and charitable real property.

* Construction is defined as newly constructed taxable real property structures.

§ Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS:
TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY \$ N/A

IN ACCORDANCE WITH 39-5-128(1.5), C.R.S., THE ASSESSOR PROVIDES:

HB21-1312 ASSESSED VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): ** \$ 640

** The tax revenue lost due to this exempted value will be reimbursed to the tax entity by the County Treasurer in accordance with 39-3-119.5(3), C.R.S.

NOTE: ALL LEVIES MUST BE CERTIFIED to the COUNTY COMMISSIONERS NO LATER THAN DECEMBER 15.

EXHIBIT B

COLORADO CROSSING METROPOLITAN DISTRICT NO. 3
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2022

**COLORADO CROSSING METROPOLITAN DISTRICT NO. 3
SUMMARY
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

1/28/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	73,571	73,872	244,801
Property taxes - Series 2017	183,927	-	-
Property taxes - Series 2020A-1	-	86,800	283,969
Property taxes - Series 2020A-2/B-2	-	97,881	328,033
Property taxes - Excluded property	-	1,931	18,773
Specific ownership taxes	8,039	8,765	24,480
Specific ownership taxes - Series 2017	20,097	-	-
Specific ownership taxes - Series 2020A-1	-	10,299	28,397
Specific ownership taxes - Series 2020A-2/B-2	-	11,615	32,803
Other revenue	-	-	-
Interest Income	3,918	9,410	-
Total revenues	<u>289,552</u>	<u>300,573</u>	<u>961,256</u>
Total funds available	<u>289,552</u>	<u>300,573</u>	<u>961,256</u>
EXPENDITURES			
General Fund	82,729	85,337	269,281
Debt Service Fund	206,823	215,236	691,975
Total expenditures	<u>289,552</u>	<u>300,573</u>	<u>961,256</u>
Total expenditures and transfers out requiring appropriation	<u>289,552</u>	<u>300,573</u>	<u>961,256</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**Colorado Crossing Metropolitan District No. 3
PROPERTY TAX SUMMARY INFORMATION
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

1/28/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
ASSESSED VALUATION - 219			
Commercial	\$ 3,012,390	\$ 2,925,900	\$ 10,635,190
Natural Resources	-	10	10
Vacant land	581,450	679,410	1,514,950
State assessed	104,000	88,300	89,900
Certified Assessed Value	<u>\$ 3,697,840</u>	<u>\$ 3,693,620</u>	<u>\$ 12,240,050</u>
MILL LEVY			
General	20.000	20.000	20.000
Debt Service - Series 2017	50.000	-	-
Debt Service - Series 2020A-1	-	23.500	23.200
Debt Service - Series 2020A-2/B-2	-	26.500	26.800
Total mill levy	<u>70.000</u>	<u>70.000</u>	<u>70.000</u>
PROPERTY TAXES			
General	\$ 73,957	\$ 73,872	\$ 244,801
Debt Service - Series 2017	184,892	-	-
Debt Service - Series 2020A-1	-	86,800	283,969
Debt Service - Series 2020A-2/B-2	-	97,881	328,033
Levied property taxes	258,849	258,553	856,803
Adjustments to actual/rounding	(1,351)	-	-
Budgeted property taxes	<u>\$ 257,498</u>	<u>\$ 258,553</u>	<u>\$ 856,803</u>
ASSESSED VALUATION - 399			
Vacant land	\$ -	\$ 82,160	\$ -
Commercial	-	-	809,200
Certified Assessed Value	<u>\$ -</u>	<u>\$ 82,160</u>	<u>\$ 809,200</u>
MILL LEVY			
Debt Service - Series 2020A-1	-	23.500	23.200
Total mill levy	<u>-</u>	<u>23.500</u>	<u>23.200</u>
PROPERTY TAXES			
Debt Service - Series 2020A-1	\$ -	\$ 1,931	\$ 18,773
Budgeted property taxes	<u>\$ -</u>	<u>\$ 1,931</u>	<u>\$ 18,773</u>
BUDGETED PROPERTY TAXES			
General	\$ 73,571	\$ 73,872	\$ 244,801
Debt Service - Series 2017	183,927	-	-
Debt Service - Series 2020A-1	-	88,731	302,742
Debt Service - Series 2020A-2/B-2	-	97,881	328,033
	<u>\$ 257,498</u>	<u>\$ 260,484</u>	<u>\$ 875,576</u>

No assurance provided. See summary of significant assumptions.

**COLORADO CROSSING METROPOLITAN DISTRICT NO. 3
GENERAL FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

1/28/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
REVENUES			
Property taxes	73,571	73,872	244,801
Specific ownership taxes	8,039	8,765	24,480
Interest income	1,119	2,700	-
Total revenues	82,729	85,337	269,281
Total funds available	82,729	85,337	269,281
EXPENDITURES			
General and administrative			
County Treasurer's fee	1,137	1,148	3,672
Intergovernmental expenditure - District No. 1	81,592	84,189	265,609
Total expenditures	82,729	85,337	269,281
Total expenditures and transfers out requiring appropriation	82,729	85,337	269,281
ENDING FUND BALANCE	\$ -	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

COLORADO CROSSING METROPOLITAN DISTRICT NO. 3
DEBT SERVICE FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,

1/28/22

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
REVENUES			
Property taxes - Series 2017	183,927	-	-
Property taxes - Series 2020A-1	-	86,800	283,969
Property taxes - Excluded property	-	1,931	18,773
Property taxes - Series 2020A-2/B-2	-	97,881	328,033
Specific ownership taxes - Series 2017	20,097	-	-
Specific ownership taxes - Series 2020A-1	-	10,299	28,397
Specific ownership taxes - Series 2020A-2/B-2	-	11,615	32,803
Interest Income	2,799	6,710	-
Total revenues	206,823	215,236	691,975
Total funds available	206,823	215,236	691,975
EXPENDITURES			
General and administrative			
County Treasurer's fee - Series 2020A-1	2,844	1,379	4,541
County Treasurer's fee - Series 2020A-2/B-2	-	1,521	4,920
Debt Service			
Intergovernmental expenditure - District No. 2 - Series 2017	203,979	-	-
Intergovernmental expenditure - District No. 2 - Series 2020A-1	-	100,841	326,598
Intergovernmental expenditure - District No. 2 - Series 2020A-2/B-2	-	111,495	355,916
Total expenditures	206,823	215,236	691,975
Total expenditures and transfers out requiring appropriation	206,823	215,236	691,975
ENDING FUND BALANCE	\$ -	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

COLORADO CROSSING METROPOLITAN DISTRICT NO. 3
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

Colorado Crossing Metropolitan District No. 3 (the "District") was formed on November 7, 2006, with the court order issued by the District Court in and for El Paso County on December 5, 2006. The District's service area is located entirely within the City of Colorado Springs (the "City"), El Paso County Colorado. The District was organized in conjunction with two other related districts, Colorado Crossing Metropolitan District No. 1 (Managing) ("District No. 1") and Colorado Crossing Metropolitan District No. 2 (Residential & Commercial) ("District No. 2"). The District was organized to provide for the financing, design, acquisition, construction and installation of essential public purpose facilities such as water, streets, traffic and safety controls, landscaping, parks and recreation, sewer and drainage facilities, public transportation, television relay, and mosquito control, primarily for the commercial development within the District.

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 differences may be material.

Revenues

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, sale 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.

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.

**COLORADO CROSSING METROPOLITAN DISTRICT NO. 3
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures

County Treasurer's Fees

County Treasurer's collection fees have been computed at 1.5% of property taxes for 2022.

Transfers to District No. 1 and District No. 2

Pursuant to a certain intergovernmental agreement, the transfer to District No. 1, in the General Fund, is to fund the overall administrative and operating costs of the Districts.

In the Debt Service Fund, the transfers to District No. 2 are being made, pursuant to certain pledge agreements, for the purpose of funding the debt service on bonds issued by District No. 2 for the construction of public improvements within the boundaries of the Districts.

Debt and Leases

The District has no outstanding debt, nor any capital or operating leases.

Reserves

Emergency Reserves

The District transfers all available General Fund revenues to District No. 1. Therefore, no emergency reserve related to its revenue stream is captured in the District. The Emergency Reserve is reflected in District No. 1's budget.

This information is an integral part of the accompanying budget.

RESOLUTION NO. 2021-11-03

RESOLUTION TO SET MILL LEVIES

**RESOLUTION OF THE COLORADO CROSSING METROPOLITAN DISTRICT NO. 3
LEVYING GENERAL PROPERTY TAXES, PURSUANT TO SECTION 39-1-111,
C.R.S., FOR THE YEAR 2021, TO HELP DEFRAY THE COSTS OF GOVERNMENT
FOR THE 2022 BUDGET YEAR**

A. The Board of Directors of the Colorado Crossing Metropolitan District No. 3 (the “**District**”) has adopted an annual budget in accordance with the Local Government Budget Law, on November 18, 2021.

B. The adopted budget is attached as Exhibit A to the Resolution of the Board of Directors of the District to Adopt Budget and Appropriate Sums of Money, and such budget is incorporated herein by this reference.

C. The amount of money necessary to balance the budget for general fund expenses from property tax revenue is identified in the budget.

D. The amount of money necessary to balance the budget for debt service fund expenses from property tax revenue is identified in the budget.

NOW, THEREFORE, PURSUANT TO SECTIONS 39-1-111(5) and 39-5-128(1), C.R.S., BE IT RESOLVED by the Board of Directors of the Colorado Crossing Metropolitan District No. 3, El Paso County, Colorado, that:

1. For the purpose of meeting all general operating expenses of the District during the 2022 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 purpose of meeting all debt retirement expenses of the District during the 2022 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 for the purpose of meeting all contractual obligation expenses of the District during the 2022 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.

4. That the Secretary is hereby authorized and directed to immediately certify to the Board of County Commissioners of El Paso County, Colorado, the mill levies for the District as set forth in the District’s Certification of Mill Levies, attached hereto as **Exhibit 1** 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.

[SIGNATURE PAGE OF RESOLUTION TO SET MILL LEVIES]

RESOLUTION APPROVED AND ADOPTED on November 18, 2021.

**COLORADO CROSSING
METROPOLITAN DISTRICT NO. 3**

By: DocuSigned by:
Otis Moore
490160631144448...

President

Attest:

By: DocuSigned by:
Kevin Smith
84A534656EB141B...

Assistant Secretary