

**RESOLUTION
TO ADOPT 2026 BUDGET, APPROPRIATE SUMS OF MONEY,
AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY
MOUNTAIN VALLEY METROPOLITAN DISTRICT**

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2026 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 MOUNTAIN VALLEY METROPOLITAN DISTRICT, EL PASO COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2026, AND ENDING ON THE LAST DAY OF DECEMBER, 2026,

WHEREAS, the Board of Directors of the Mountain Valley Metropolitan District has authorized its consultants to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, the proposed budget has been submitted to the Board of Directors of the District for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on October 20, 2025 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 \$ 28,276; 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 \$ 169,682; 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 2025 valuation for assessment for the District as certified by the County Assessor of El Paso County is \$ 4,442,510; and

WHEREAS, at an election held on October 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 MOUNTAIN VALLEY METROPOLITAN DISTRICT 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 Mountain Valley Metropolitan District for calendar year 2026.

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 2026 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 2026 budget year, there is hereby levied a tax of 6.365 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2025.

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 2025.

C. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all debt retirement expense of the District during the 2026 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 38.195 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2025.

D. Levy for Contractual Obligations. That for the purposes of meeting the contractual obligation expense of the District during the 2026 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 2025.

E. Levy for Capital Expenditures. That for the purposes of meeting all capital expenditures of the District during the 2026 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 2025.

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 2025.

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 20th day of October, 2025.

MOUNTAIN VALLEY METROPOLITAN DISTRICT

Victor Torres

President

ATTEST:

Chasity McMorrow

Secretary

Mountain Valley Metropolitan District			
Colorado Springs, El Paso County, Colorado			
General Fund Budget			
Year Ended 12/31/2026			
Modified Accrual Basis			
	2024	2025	2026
	12/31/24	12/31/25	
	Actuals	Estimated	Budget
BEGINNING FUND BALANCE	\$ 27,370	\$ 47,822	42,653
REVENUES			
Homeowner Fees	27,490	23,000	35,250
Delinquent Homeowner Dues	-	-	7,325
Property Taxes	27,850	29,498	28,282
Specific ownership Tax	2,601	2,200	2,545
Covenant Violation Income	2,042	850	-
Late/Collection Fee	104	154	-
Interest - Delinquent Property Tax	2	2	-
Setup Fees	1,275	2,075	325
Status Letter	600	1,025	150
Contingency	-	-	4,001
Interest Income	1,826	1,761	1,800
Total Revenues	63,790	60,565	79,678
EXPENDITURES			
General Management			
Accounting	4,387	5,000	6,000
Legal	6,421	10,500	11,000
District Management	14,388	15,996	16,700
Postage Expense	-	101	110
Insurance	2,671	2,771	2,800
Dues (SDA)	306	307	350
Setup Fee	1,275	2,075	325
Status Letter	600	1,025	150
Contingency	-	-	4,001
El Paso County property tax collection fee - 1.5%	418	442	424
Total General Management	30,466	38,217	41,860
Maintenance			
Landscape maintenance	10,489	10,816	11,140
Landscape Repair	844	7,500	8,000
Landscape Improvements	-	6,615	25,000
Landscape water	1,539	2,277	3,500
Snow Removal	-	309	500
Total Maintenance	12,872	27,517	48,140
Total Expenses	43,338	65,735	90,000
Excess of Revenues over Expenditures	20,452	(5,169)	(10,322)
ENDING FUND BALANCE	\$ 47,822	\$ 42,653	\$ 32,330
Emergency Reserve - 3% of Revenues	\$ 1,914	\$ 1,817	\$ 2,390
Unrestricted Fund Balance	45,908	40,836	29,940
Homeowner Fee			\$ 250
Homes			141
Total Fee			\$ 35,250

See summary of significant assumptions.

Mountain Valley Metropolitan District			
Colorado Springs, El Paso County, Colorado			
Debt Service Fund Budget			
Year Ended 12/31/2026			
Modified Accrual Basis			
	2024	2025	2026
	12/31/24	12/31/25	
	Actuals	Estimated	Budget
BEGINNING FUND BALANCE	\$ 2,882	\$ 6,227	\$ 6,956
REVENUES			
Property Taxes	167,108	177,000	169,711
Specific Ownership Tax	15,605	15,027	15,274
Interest on delinquent property tax	11	21	-
Interest Income - ColoTrust	3,275	2,839	3,000
Total Revenues	185,999	194,886	187,985
EXPENDITURES			
Interest Expense on Bonds	134,148	131,503	128,053
Bond Principal Payment	46,000	60,000	55,000
El Paso County Tax collection Fee	2,507	2,655	2,546
Contingency		-	401
Total Expenditures	182,654	194,158	186,000
Excess of Revenues over Expenditures	3,345	729	1,986
Transfer from General Fund	-	-	-
ENDING FUND BALANCE	\$ 6,227	\$ 6,956	\$ 8,941
Debt Service			

See summary of significant assumptions.

Mountain Valley Metropolitan District	
Colorado Springs, El Paso County, Colorado	
Property Taxes	
2025 Valuations for 2026 Taxes	
	Total Adopted
Vacant Residential Land - Market Value	3,000
Percentage	27%
Assessed Value	810
Residential	
Residential Land & Improvements - Market Value	70,936,447
Percentage	6.25%
Assessed Value	4,433,570
Commercial	
Market Value	1,148
Percentage	27%
Assessed Value	310
State Assessed	
Market Value	31,890
Percentage	27%
Assessed Value	8,600
Total Assessed Value	4,443,290
Property Tax	
Operations & Maintenance	\$ 28,282.00
Debt Service	\$ 169,711.00
Total	\$ 197,993.00
Mill Levy Charged	
Operations & Maintenance	6.365
Debt Service	38.195
Total	44.560

See summary of significant assumptions.

**MOUNTAIN VALLEY METROPOLITAN DISTRICT
2026 BUDGET MESSAGE
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Mountain Valley Metropolitan District (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. The District was established for the Mountain Valley community and encompasses the land generally located to the South of Dublin Boulevard and to the West of Sayres Road and to the East of the adjacent Marksheffel Road, and to the North and East of the intersection of Stetson Hills Boulevard (where it meets and becomes Huber Road) and Marksheffel Road, and is entirely within the boundaries of the City of Colorado Springs, El Paso County, State of Colorado and contains approximately 37.35 acres, more or less. 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 a non-potable water system, 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, which is consistent with the basis of accounting used in presenting the District’s financial statements.

GENERAL FUND

REVENUES

1. The homeowners will be assessed a \$250 annual fee to cover the shortfall of revenue over expenses in 2026.
2. 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 6.365 Mills.
3. 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.
4. Fees are charged by the District to setup homeowners for billing and communications, and to provide status letters for home closings.

**MOUNTAIN VALLEY METROPOLITAN DISTRICT
2026 BUDGET MESSAGE
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

GENERAL FUND – (continued)

EXPENDITURES

1. Accounting fees include the costs of the accounting firm to review the financial statements, review and file the budget and to prepare annual financial statements for the audit.
2. Audit fees are the cost to audit the financial statements.
3. Legal fees are estimated based on the annual requirements of the District.
4. District Management costs are estimated based on costs to manage the District.
5. Dues & subscriptions are the estimated SDA dues and office expenses.
6. Insurance is the estimated charges from the Colorado Special Districts Property and Liability Pool insurance.
7. The District Manager is paid the fees for Homeowner Setup and status letters.
8. A property tax collection fee is payable to the County at the rate of 1.5% of the property taxes collected, excluding specific ownership tax.
9. Landscape Maintenance and Water is the cost to maintain and water the landscaping, common areas and drainage systems.

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 Debt Service at 38.194 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.

EXPENDITURES

1. Interest and principal on the District Bonds issued is budgeted at \$188,053.
2. A property tax collection fee is payable to the County at the rate of 1.5% of the property taxes collected, excluding specific ownership tax.

**MOUNTAIN VALLEY METROPOLITAN DISTRICT
2026 BUDGET MESSAGE
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

RESERVES

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of revenues, excluding Developer Loan Proceeds.

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.

This information is an integral part of the accompanying budget.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of El Paso County, Colorado.

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

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 4,442,510 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: \$ 4,442,510 (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: 12/15/2025 for budget/fiscal year 2026.
 (no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	6.365 mills	\$ 28,276
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	6.365 mills	\$ 28,276
3. General Obligation Bonds and Interest ^J	38.195 mills	\$ 169,682
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]	44.560 mills	\$ 197,959

Contact person: Seef LeRoux Daytime phone: () (719) 635-0330
 Signed: Seef LeRoux Title: Accountant for the District

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

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 Improvements
	Series:	Limited Tax General Obligation Bond, Series 2019
	Date of Issue:	February 15, 2019
	Coupon Rate:	5.75%
	Maturity Date:	December 1, 2057
	Levy:	38.195
	Revenue:	\$169,682
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.