

RESOLUTION
ADOPTING BUDGET, AND APPROPRIATING SUMS OF MONEY
AND CERTIFYING MILL LEVIES FOR THE CALENDAR YEAR 2026

The Board of Directors of Cascade Metropolitan District No. 1 (the “**Board**”), El Paso County, Colorado (the “**District**”), held a regular meeting, via teleconference on October 14, 2025, at the hour of 5:30 p.m.

Prior to the meeting, each of the directors was notified of the date, time, and place of the budget meeting and the purpose for which it was called, and a notice of the meeting was posted or published in accordance with § 29-1-106, C.R.S.

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NOTICE AS TO PROPOSED 2026 BUDGET

AFFIDAVIT OF PUBLICATION

STATE OF COLORADO
COUNTY OF El Paso

I, Fredrick Rogers, being first duly sworn, deposes and says that he is the Legal Sales Representative of The Colorado Springs Gazette, LLC., a corporation, the publishers of a daily/weekly public newspapers, which is printed and published daily/weekly in whole in the County of El Paso, and the State of Colorado, and which is called Colorado Springs Gazette; that a notice of which the annexed is an exact copy, cut from said newspaper, was published in the regular and entire editions of said newspaper **1 time(s) to wit 10/08/2025**

That said newspaper has been published continuously and uninterruptedly in said County of El Paso for a period of at least six consecutive months next prior to the first issue thereof containing this notice; that said newspaper has a general circulation and that it has been admitted to the United States mails as second-class matter under the provisions of the Act of March 3, 1879 and any amendment thereof, and is a newspaper duly qualified for the printing of legal notices and advertisement within the meaning of the laws of the State of Colorado.

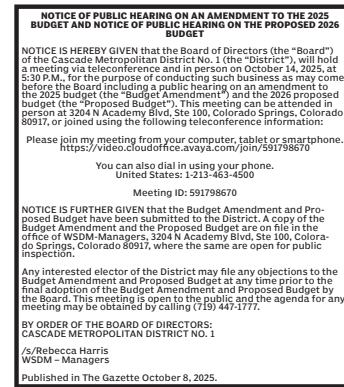
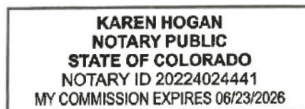


Fredrick Rogers
Sales Center Agent

Subscribed and sworn to me this 10/08/2025, at said City of Colorado Springs, El Paso County, Colorado.
My commission expires December 15, 2025.



Karen Hogan
Notary Public
The Gazette



WHEREAS, the Board has appointed its accountant to prepare and submit a proposed budget to the Board in accordance with Colorado law; and

WHEREAS, the proposed budget has been submitted to the Board for its review and consideration; and

WHEREAS, upon due and proper notice, provided in accordance with Colorado law, said proposed budget was available for inspection by the public at a designated place, a public hearing was held and interested electors of the District were provided a public comment period and given the opportunity to file any objections to the proposed budget prior to the final adoption of the budget by the Board.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

Section 1. Adoption of Budget. The budget attached hereto and incorporated herein is approved and adopted as the budget of the District for fiscal year 2026. In the event of recertification of values by the County Assessor's Office after the date of adoption hereof, staff is hereby directed to modify and/or adjust the budget and certification to reflect the recertification without the need for additional Board authorization. Any such modification to the budget or certification as contemplated by this Section 1 shall be deemed ratified by the Board.

Section 2. Levy of Property Taxes. The Board does hereby certify the levy of property taxes for collection in 2026 as more specifically set out in the budget attached hereto.

Section 3. Mill Levy Adjustment. When developing the attached budget, consideration was given to any changes in the method of calculating assessed valuation, including any changes to the assessment ratios, or any constitutionally mandated tax credit, cut, or abatement, as authorized in the District's service plan. The Board hereby determines in good faith (such determination to be binding and final), that to the extent possible, the adjustments to the mill levies made to account for changes in Colorado law described in the prior sentence, and the actual tax revenues generated by the mill levies, are neither diminished nor enhanced as a result of those changes.

Section 4. Certification to County Commissioners. The Board directs its legal counsel, manager, accountant, or other designee to certify to the Board of County Commissioners of El Paso County, Colorado the mill levies for the District as set forth herein. Such certification shall be in compliance with the requirements of Colorado law.

Section 5. Appropriations. The amounts set forth as expenditures in the budget attached hereto are hereby appropriated from the revenue of each fund for the purposes stated.

Section 6. Filing of Budget and Budget Message. The Board hereby directs its legal counsel, manager, or other designee to file a certified copy of the adopted budget resolution, the budget and budget message with the Division of Local Government by January 30 of the ensuing year.

Section 7. Budget Certification. The budget shall be certified by a member of the District, or a person appointed by the District, and made a part of the public records of the District.

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ADOPTED OCTOBER 14, 2025.

DISTRICT:

CASCADE METROPOLITAN DISTRICT NO.1 ,
a quasi-municipal corporation and political
subdivision of the State of Colorado

By: *Susan Soloyanis*
Susan Soloyanis (Oct 15, 2025 10:43:54 MDT)

Officer of the District

ATTEST:

By: *Jim Bollen*
Jim Bollen (Oct 15, 2025 11:52:38 MDT)

STATE OF COLORADO
COUNTY OF EL PASO
CASCADE METROPOLITAN DISTRICT NO. 1

I hereby certify that the foregoing resolution constitutes a true and correct copy of the record of proceedings of the Board adopted by a majority of the Board at a District meeting held via teleconference on Tuesday, October 14, 2025, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 14th day of October, 2025.

Rebecca Harris

Signature

*[Signature page to Resolution Adopting Budget, and Appropriating Sums of Money
and Certifying Mill Levies for the Calendar Year 2026]*

EXHIBIT A
BUDGET DOCUMENT
BUDGET MESSAGE

CASCADE METROPOLITAN DISTRICT NO. 1

2026 BUDGET MESSAGE

(Pursuant to § 29-1-103(1) (e), C.R.S.)

Services Provided

The Cascade Metropolitan District No. 1 ("District"), a quasi-municipal corporation and a political subdivision of the State of Colorado. On September 2, 2004, the Board of County Commissioners of El Paso County, Colorado (the "County") approved the Consolidated Service Plan (the "Original Service Plan") for the Cascade Metropolitan District Nos. 1 & 2.

The District was formed in 2004 with the primary purpose of providing water for domestic and other public and private purposes by any available means.

As of January 2021, the District upgraded the infrastructure to hand over the primary purpose to Colorado Springs Utilities. In October of 2023, the District refinanced the debt.

The attached 2026 Budget for Cascade Metropolitan District No. 1 includes these important features:

- The 2026 Budget reflects the refinance of debt service using a fee established to repay debt issued in 2015 (refinanced in 2023) and the costs to administer the billing, collection and payment to facilitate this scope of work.
- The primary sources of revenue for the District are fees, penalties, and charges.

The Budgetary basis of the accounting timing measurement method used is:

- ☐ Cash basis
- ☒ Modified accrual basis
- ☐ Encumbrance basis
- ☐ Accrual basis

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. Other than the interest on long-term obligations, expenses are recorded when the liability is incurred or the long-term obligation is paid.

The contracted services to be provided/ delivered during the budget year are the following:

- Contracted legal and management services, including state-required reporting, financial and accounting reports, billing, and other services.
- Accounting and bookkeeping, billing, collection, and related services.

CASCADE METROPOLITAN DISTRICT NO. 1
ADOPTED 2026 BUDGET
GENERAL FUND

	2024 ACTUAL	2025 ACTUAL	2025 PROJECTED	2025 BUDGET	2026 BUDGET
GENERAL FUND: BEGINNING BALANCE	\$ 170,139	\$ 185,196	\$ 185,196	\$ 179,070	\$ 198,596
REVENUES					
OPERATIONS ADMINISTRATIVE FEE (\$8.34/MONTH/ACCOUNT)	\$ 68,163	\$ 53,746	\$ 65,000	\$ 36,129	\$ 36,129
COLLECTION CHARGES				\$ -	
LATE FEES	\$ 4,110	\$ 2,781	\$ 4,000	\$ 4,000	\$ 4,000
MISCELLANEOUS INCOME	\$ 2,145	\$ 3,480	\$ 3,480	\$ -	
GAIN ON SALE OF ASSETS				\$ -	
INTEREST INCOME	\$ 246			\$ -	
TOTAL REVENUES	\$ 74,664	\$ 60,007	\$ 72,480	\$ 40,129	\$ 40,129
 TOTAL FUNDS AVAILABLE	 \$ 244,803	 \$ 245,203	 \$ 257,676	 \$ 219,198	 \$ 238,725
EXPENSES					
MANAGEMENT	\$ 24,030	\$ 14,000	\$ 24,000	\$ 24,000	\$ 24,000
COLLECTION CHARGES		\$ 168		\$ 1,000	\$ 1,000
AUDIT	\$ 11,350	\$ 10,250	\$ 10,250	\$ 10,250	\$ 10,558
BANK FEES	\$ 761			\$ 100	\$ 100
ELECTION		\$ 456	\$ 456	\$ 10,000	\$ 500
INSURANCE/SDA DUES	\$ 2,041	\$ 2,041	\$ 2,041	\$ 3,000	\$ 3,000
DUES, FEES, & SUBSCRIPTIONS	\$ 811	\$ 604	\$ 604	\$ 700	\$ 700
LEGAL	\$ 15,928	\$ 9,363	\$ 15,000	\$ 10,000	\$ 10,000
OFFICE SUPPLIES & POSTAGE	\$ 4,582	\$ 3,091	\$ 4,500	\$ 5,000	\$ 5,500
CONTINGENCY	\$ 105	\$ 2,229	\$ 2,229	\$ 10,000	\$ 10,000
TOTAL EXPENSES	\$ 59,608	\$ 42,202	\$ 59,080	\$ 74,050	\$ 65,358
OTHER					
TRANSFERS IN - GRANT CAPITAL PROJECT FUND					
TRANSFER OUT TO DEBT SERVICE FUND	\$ -				
GENERAL FUND: ENDING BALANCE	\$ 185,196	\$ 203,001	\$ 198,596	145,148	173,367
EMERGENCY RESERVE: State Required at 3%	\$ 1,788	\$ 1,266	\$ 1,772	\$ 2,222	\$ 1,961
 ASSESSED VALUATION	 \$ 13,544,540	 \$ 13,561,010	 \$ 13,561,010	 \$ 13,561,010	 \$ 14,886,130

CASCADE METROPOLITAN DISTRICT NO. 1
ADOPTED 2026 BUDGET
DEBT SERVICE FUND

	2024 ACTUAL	2025 ACTUAL	2025 PROJECTED	2025 BUDGET	2026 BUDGET
DEBT SERVICE FUND: BEGINNING BALANCE	\$ 143,933	\$ 175,756	\$ 175,756	\$ 96,595	\$ 198,069
REVENUE					
TRANSFER IN - GENERAL FUND					
DEBT SERVICE WATER FEE (2024 \$125/MONTH)	\$ 508,055	\$ 335,703	\$ 503,555	\$ 514,425	\$ 514,425
MALCOM RESTITUTION	\$ 2,477	\$ 8	\$ 8	\$ -	\$ -
INTEREST INCOME				\$ -	\$ -
TOTAL REVENUE	\$ 510,532	\$ 335,711	\$ 503,563	\$ 514,425	\$ 514,425
EXPENSES					
COST OF ISSUANCE	\$ (5,787)				
BANK FEES		\$ 400	\$ 4,000	\$ 4,000	\$ 4,000
BOND INSURANCE					
SERIES 2023 PRINCIPAL	\$ 235,000		\$ 265,000	\$ 265,000	\$ 280,000
SERIES 2023 INTEREST	\$ 249,496	\$ 106,125	\$ 212,250	\$ 212,250	\$ 199,000
CONTINGENCY	\$ -			\$ 10,000	\$ 10,000
TOTAL EXPENSES	\$ 478,709	\$ 106,525	\$ 481,250	\$ 491,250	\$ 493,000
DEBT SERVICE: ENDING BALANCE	\$ 175,756	\$ 404,942	\$ 198,069	\$ 119,770	\$ 219,494
OTHER FINANCING SOURCES (USES)					
SERIES 2015A DEBT SERVICE RESERVE FUND					
ASSESSED VALUATION	\$ 13,544,540	\$ 13,561,010	\$ 13,561,010	\$ 13,561,010	\$ 14,886,130












Resolution Adopting 2026 Budget

Final Audit Report

2025-10-15

Created:	2025-10-15
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✔ Agreement completed.

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