



## RESOLUTION

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR TO HELP DEFRAID THE COSTS OF THE GOVERNMENT, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE COTTONWOOD GREENS METROPOLITAN DISTRICT NO. 5, CITY OF FORT LUPTON WELD COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2023 AND ENDING ON THE LAST DAY OF DECEMBER, 2023.

WHEREAS, the Board of Directors (the “Board”) of the Cottonwood Greens Metropolitan District No. 5 (the “District”) has authorized its consultants, treasurer and legal counsel to prepare and submit a proposed budget to said governing body no later than October 15, 2022; and

WHEREAS, the proposed 2023 budget has been submitted to the Board for its consideration; and

WHEREAS, upon due and proper notice, posted in accordance with Colorado law and published on Thursday, October 27, 2022 in the Fort Lupton Press, said proposed budget was open for inspection by the public at a designated place, a public hearing was held at 11:30 AM on Tuesday, November 22, 2022, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, the budget being adopted by the Board has been prepared based on the best information available to the Board regarding the effects of Article X, Section 20 of the Colorado Constitution; and

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

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COTTONWOOD GREENS METROPOLITAN DISTRICT NO. 5, WELD COUNTY, COLORADO, AS FOLLOWS:

Section 1.     Summary of 2023 Revenues and 2023 Expenditures. That the estimated revenues and expenditures for each fund for fiscal year 2023, as more specifically set forth in the budget attached hereto, are accepted and approved.

Section 2.     Adoption of Budget. That the budget as submitted, or as amended, and attached hereto and incorporated herein is approved and adopted as the budget of the District for fiscal year 2023.

Section 3. 2023 Levy of General Property Taxes. That the foregoing budget indicates that the amount of money from property tax revenue necessary to balance the budget for the General Fund for operating expenses is \$4,993.69, and that the 2022 valuation for assessment, as certified by the Weld County Assessor, is \$89,520. That for the purposes of meeting all general operating expenses of the District during the 2023 budget year, there is hereby levied a tax of 55.783 mills upon each dollar of the total valuation of assessment of all taxable property within the District during the year 2022.

Section 4. 2023 Levy of Debt Retirement Expenses. That the foregoing budget indicates that the amount of money from property tax revenue necessary to balance the budget for the Debt Service Fund for debt retirement expense is \$0 and that the 2022 valuation for assessment, as certified by the Weld County Assessor, is \$89,520. That for the purposes of meeting all debt retirement expenses of the District during the 2023 budget year, 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 District during the year 2022.

Section 5. Certification to Board of County Commissioners. That the attorney, accountant or manager for the District is hereby authorized and directed to certify to the Weld County Board of County Commissioners, no later than December 15, 2022, the mill levies for the District hereinabove determined and set. That said certification shall be substantially in the same form as attached hereto and incorporated herein by this reference.

Section 6. 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.


Section 7. Budget Certification. That the budget shall be certified by the Secretary/Treasurer of the District, and made a part of the public records of the District.

The foregoing Resolution was seconded by Director Shipman.

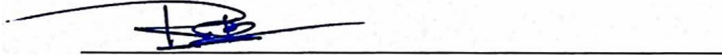
RESOLUTION APPROVED AND ADOPTED ON NOVEMBER 22, 2022.

COTTONWOOD GREENS METROPOLITAN DISTRICT NO. 5

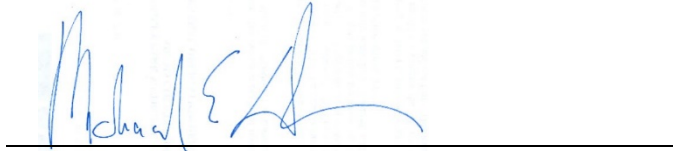
By:

  
Robert A. Lembke, President

ATTEST:

  
Ronald E. von Lembke, Secretary/Treasurer

APPROVED AS TO FORM:  
LAW OFFICE OF MICHAEL E. DAVIS, LLC  
As General Counsel to the District

  
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STATE OF COLORADO  
COUNTY OF WELD  
COTTONWOOD GREENS METROPOLITAN DISTRICT NO. 5

I, Ronald E. von Lembke, hereby certify that I am a director and the duly elected and qualified Secretary/Treasurer of Cottonwood Greens Metropolitan District No. 5 (the "District"), and that the foregoing constitutes a true and correct copy of the record of proceedings of the Board of Directors of said District adopted at a meeting of the Board of Directors of the District held at 11:30 AM on Tuesday, November 22, 2022, at 8390 E Crescent Parkway, Suite 300, Greenwood Village, CO 80111, by videoconference at <https://us06web.zoom.us/j/83989598417>, and by teleconference at +1 669 900 6833, Meeting ID: 839 8959 8417, as recorded in the official record of the proceedings of the District, insofar as said proceedings relate to the budget hearing for fiscal year 2023; that said proceedings were duly had and taken; that the meeting was duly held; and that the persons were present at the meeting as therein shown.

IN WITNESS WHEREOF, I have hereunto subscribed my name on November 22, 2022.



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Ronald E. von Lembke, Secretary/Treasurer

**EXHIBIT A**  
**2023 BUDGET DOCUMENT & BUDGET MESSAGE FOR**  
**COTTONWOOD GREENS METROPOLITAN DISTRICT NO. 5**

**COTTONWOOD GREENS METRO DISTRICT NO. 5**  
**ANNUAL BUDGET**  
**FOR THE YEAR ENDING DECEMBER 31, 2023**

**COTTONWOOD GREENS METRO DISTRICT NO. 5  
SUMMARY  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31**

1/3/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ 1,364	\$ 1,070	\$ 371
REVENUES			
Property Taxes	5,818	6,634	4,994
Specific Ownership Taxes	292	365	300
Interest Income	31	-	100
Developer Advance	15,000	45,000	50,000
Total revenues	<u>21,141</u>	<u>51,999</u>	<u>55,394</u>
Total funds available	<u>22,505</u>	<u>53,069</u>	<u>55,765</u>
EXPENDITURES			
General Fund	21,435	52,698	51,634
Total expenditures	<u>21,435</u>	<u>52,698</u>	<u>51,634</u>
Total expenditures and transfers out requiring appropriation	<u>21,435</u>	<u>52,698</u>	<u>51,634</u>
ENDING FUND BALANCES	<u>\$ 1,070</u>	<u>\$ 371</u>	<u>\$ 4,131</u>
EMERGENCY RESERVE	\$ 200	\$ 300	\$ 200
AVAILABLE FOR OPERATIONS	870	71	3,931
	<u>\$ 1,070</u>	<u>\$ 371</u>	<u>\$ 4,131</u>

No assurance provided. See summary of significant assumptions.



**COTTONWOOD GREENS METRO DISTRICT NO. 5**  
**PROPERTY TAX SUMMARY INFORMATION**  
**2023 BUDGET**  
**WITH 2021 ACTUAL AND 2022 ESTIMATED**  
**For the Years Ended and Ending December 31,**

1/3/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
<b>ASSESSED VALUATION</b>			
Agricultural	\$ -	\$ -	\$ 1,960
Oil & Gas	-	-	22,130
State Assessed	104,520	119,180	65,430
	<u>104,520</u>	<u>119,180</u>	<u>89,520</u>
Certified Assessed Value	<u>\$ 104,520</u>	<u>\$ 119,180</u>	<u>\$ 89,520</u>
<b>MILL LEVY</b>			
General	55.664	55.664	55.783
Total mill levy	<u>55.664</u>	<u>55.664</u>	<u>55.783</u>
<b>PROPERTY TAXES</b>			
General	\$ 5,818	\$ 6,634	\$ 4,994
Levied property taxes	5,818	6,634	4,994
Adjustments to actual/rounding	-	-	-
Budgeted property taxes	<u>\$ 5,818</u>	<u>\$ 6,634</u>	<u>\$ 4,994</u>
<b>BUDGETED PROPERTY TAXES</b>			
General	<u>\$ 5,818</u>	<u>\$ 6,634</u>	<u>\$ 4,994</u>
	<u><u>\$ 5,818</u></u>	<u><u>\$ 6,634</u></u>	<u><u>\$ 4,994</u></u>

No assurance provided. See summary of significant assumptions.

**COTTONWOOD GREENS METRO DISTRICT NO. 5  
GENERAL FUND  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED**

1/3/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 1,364	\$ 1,070	\$ 371
REVENUES			
Property Taxes	5,818	6,634	4,994
Specific Ownership Taxes	292	365	300
Interest Income	31	-	100
Developer Advance	15,000	45,000	50,000
Total revenues	<u>21,141</u>	<u>51,999</u>	<u>55,394</u>
Total funds available	<u>22,505</u>	<u>53,069</u>	<u>55,765</u>
EXPENDITURES			
General and administrative			
Accounting	3,452	22,000	12,000
Accounting Consulting	-	4,000	5,000
County Treasurer's Fees	88	100	75
Directors' Fees	800	800	1,000
Dues and Licenses	251	495	550
Insurance and Bonds	255	1,903	2,200
District Management	-	8,700	10,000
Legal Services	15,160	14,700	15,000
Miscellaneous	-	-	1,000
Support Services	1,229	-	-
Contingency	200	-	4,809
Total expenditures	<u>21,435</u>	<u>52,698</u>	<u>51,634</u>
Total expenditures and transfers out requiring appropriation	<u>21,435</u>	<u>52,698</u>	<u>51,634</u>
ENDING FUND BALANCE	<u>\$ 1,070</u>	<u>\$ 371</u>	<u>\$ 4,131</u>
EMERGENCY RESERVE	\$ 200	\$ 300	\$ 200
AVAILABLE FOR OPERATIONS	870	71	3,931
TOTAL RESERVE	<u>\$ 1,070</u>	<u>\$ 371</u>	<u>\$ 4,131</u>

No assurance provided. See summary of significant assumptions.

**COTTONWOOD GREENS METRO DISTRICT NO. 5**  
**2023 BUDGET**  
**SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

The District was organized to provide financing for the design, acquisition, installation and construction of storm and sanitary sewers, water systems, streets, parks and recreation facilities, transportation systems, television relay and translator facilities, security, mosquito control and fire protection and operation and maintenance of the District. The District's service area is located in the city of Fort Lupton in Weld County, Colorado.

The District has no employees and all administrative functions are contracted.

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 sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

Senate Bill 21-293 among other things, designates multi-family residential real property (defined generally, as property that is a multi-structure of four or more units) as a new subclass of residential real property. For tax collection year 2023, the assessment rate for single family residential property decreases to 6.95% from 7.15%. The rate for multifamily residential property, the newly created subclass, decreases to 6.80% from 7.15%. Agricultural and renewable energy production property decreases to 26.4% from 29.0%. Producing oil and gas remains at 87.5%. All other nonresidential property stays at 29%.

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 6% of the property taxes collected. The budget assumes that specific ownership taxes are allocated to the General Fund.

**COTTONWOOD GREENS METRO DISTRICT NO. 5  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues – (continued)**

**Developer Advances**

The District is in the development stage. As such, the operating and administrative expenditures are to be funded by the Developer. Developer advances are to be recorded as revenue for budget purposes with an obligation for future repayment when the District is financially able to reimburse others from bond proceeds and other available revenue.

**Interest Income**

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 2%.

**Expenditures**

**General and Administrative Expenditures**

Operating and administrative expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, accounting, insurance and other administrative expenses.

**County Treasurer's Collection Fees**

County Treasurer's collection fees have been computed at 1.50% of property taxes.

**Debts and Leases**

**Leases**

The District has no operating or capital leases.

**Reserves**

**Emergency Reserve**

The District has provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending, as defined under TABOR.

**This information is an integral part of the accompanying budget.**

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners<sup>1</sup> of COUNTY OF WELD, Colorado.

On behalf of the COTTONWOOD GREENS METROPOLITAN DISTRICT NO. 5 (taxing entity)<sup>A</sup>, the Board of Directors (governing body)<sup>B</sup> of the COTTONWOOD GREENS METROPOLITAN DISTRICT NO. 5 (local government)<sup>C</sup>

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 168,730 assessed valuation of: (GROSS<sup>D</sup> assessed valuation, Line 2 of the Certification of Valuation Form DLG 57<sup>E</sup>)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area<sup>F</sup> 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: \$ 168,730 (NET<sup>G</sup> 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: for budget/fiscal year 2023 (not later than Dec. 15) (dd/mm/yyyy) (yyyy)

Table with 3 columns: PURPOSE (see end notes for definitions and examples), LEVY<sup>2</sup>, and REVENUE<sup>2</sup>. Rows include General Operating Expenses, Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction, General Obligation Bonds and Interest, Contractual Obligations, Capital Expenditures, Refunds/Abatements, and Other. Includes a SUBTOTAL FOR GENERAL OPERATING and a TOTAL row.

Contact person: Daytime phone:

Signed: Title:

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

<sup>1</sup> 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.

<sup>2</sup> 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).