

BUDGET RESOLUTION

(2022)

CERTIFIED COPY OF RESOLUTION

STATE OF COLORADO)
) ss.
COUNTY OF WELD)

At the regular meeting of the Board of Directors of Cottonwood Greens Metropolitan District No. 5, City of Fort Lupton, County of Weld, Colorado, held at 11:30 AM on Tuesday, November 23, 2021, at 7887 E Belleview Ave, Suite 700, Englewood, CO 80111, by videoconference at <https://us06web.zoom.us/j/81343938876>, and by teleconference at +1 669 900 6833, Meeting ID: 813 4393 8876, there were present:

- Robert A. Lembke
- Ronald E. von Lembke
- Joshua Shipman
- Andrew R. Damiano

Also present was Michael Davis and Marisa Davis of the Law Office of Michael E. Davis, LLC (“District Counsel”)

District Counsel reported that, prior to the meeting, legal counsel had notified each of the directors of the date, time and place of this meeting and the purpose for which it was called. District Counsel further reported that this is a regular meeting of the Board of Directors of the District and that a notice of the meeting was posted on the District’s public website or at a public place within the boundaries of the District no less than 24 hours prior to the meeting and at the Weld County Clerk and Recorder’s Office, and to the best of their knowledge, remains posted to the date of this meeting.

Thereupon, Director Shipman introduced and moved the adoption of the following Resolution:

RESOLUTION

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR TO HELP DEFRAY 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, 2022 AND ENDING ON THE LAST DAY OF DECEMBER, 2022.

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, 2021; and

WHEREAS, the proposed 2022 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 November 17, 2021 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 23, 2021, 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 2022 Revenues and 2022 Expenditures. That the estimated revenues and expenditures for each fund for fiscal year 2022, 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 2022.

Section 3. 2022 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 \$6,634, and that the 2021 valuation for assessment, as certified by the Weld County Assessor, is \$119,180. That for the purposes of meeting all general operating expenses of the District during the 2022 budget year, there is hereby levied a tax of 55.664 mills upon each dollar of the total valuation of assessment of all taxable property within the District during the year 2021.

Section 4. 2022 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 \$ and that the 2021 valuation for assessment, as certified by the Weld County Assessor, is \$119,180. That for the purposes of meeting all debt retirement expenses of the District during the 2022 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 2021.

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, 2021, 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 von Lembke.

RESOLUTION APPROVED AND ADOPTED ON NOVEMBER 23, 2021.

COTTONWOOD GREENS METROPOLITAN DISTRICT NO. 5

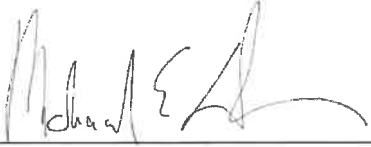
By:


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



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 23, 2021, at 7887 E Belleview Ave, Suite 700, Englewood, CO 80111, by videoconference at <https://us06web.zoom.us/j/81343938876>, and by teleconference at +1 669 900 6833, Meeting ID: 813 4393 8876, as recorded in the official record of the proceedings of the District, insofar as said proceedings relate to the budget hearing for fiscal year 2022; 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 23, 2021.



Ronald E. von Lembke, Secretary/Treasurer

**COTTONWOOD GREENS METROPOLITAN DISTRICT NO. 5
GENERAL FUND
2022 ADOPTED BUDGET**

	2020 Actual Modified Accrual	2021 Actual Modified Accrual	2022 Adopted Budget Modified Accrual
REVENUES			
Property taxes	\$ 4,523	\$ 5,818	\$ 6,634
Specific ownership taxes	227	292	365
Interest	9	31	25
Total revenues	<u>4,759</u>	<u>6,141</u>	<u>7,024</u>
EXPENDITURES			
County treasurer fees	68	88	100
Directors' fees	1,000	800	1,000
District management and accounting	8,186	3,452	5,500
Dues and subscriptions	254	251	500
Insurance and bonds	-	255	500
Legal	6,119	15,160	15,000
Miscellaneous	27	-	1,000
Support services	-	1,229	2,000
Emergency reserve	-	200	300
Total expenditures	<u>15,654</u>	<u>21,434</u>	<u>25,900</u>
EXCESS OF EXPENDITURES OVER (UNDER) REVENUES	<u>(10,895)</u>	<u>(15,293)</u>	<u>(18,876)</u>
OTHER FINANCING SOURCES			
Developer advances	24,500	15,000	20,000
Total other financing sources	<u>24,500</u>	<u>15,000</u>	<u>20,000</u>
NET CHANGE IN FUND BALANCE	13,605	(293)	1,124
BEGINNING FUND BALANCE (DEFICIT)	<u>(12,241)</u>	<u>1,364</u>	<u>1,071</u>
ENDING FUND BALANCE (DEFICIT)	<u>\$ 1,364</u>	<u>\$ 1,071</u>	<u>\$ 2,195</u>

EXHIBIT A
2022 BUDGET DOCUMENT & BUDGET MESSAGE FOR
COTTONWOOD GREENS METROPOLITAN DISTRICT NO. 5

**COTTONWOOD GREENS METROPOLITAN DISTRICT NO. 5
2022 BUDGET**

SUMMARY OF SIGNIFICANT ASSUMPTIONS

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

Services Provided

Through its Service Plan, the Cottonwood Greens Metropolitan District No. 5 (the "District") is authorized to finance certain streets, street lighting, traffic and safety controls, sewer improvements, landscaping, and park and recreation improvements.

REVENUES

Developer Advances

The primary source of funds for 2022 is developer advances. Developer advances are to be recorded as revenue for budget purposes with an obligation for future repayment.

Property Taxes

In 2022 the District adopted a mill levy of 55.664 mills for operations and maintenance expenses, which will yield \$6,634 in property tax revenue.

EXPENDITURES

Administrative Expenses

Administrative expenses have been primarily for legal services, insurance and accounting costs.

Leases

The District has no operating or capital leases.

Funds Available

The District's funds available exist primarily from the developer advances to cover the District's operations, including its administrative functions.

Emergency Reserves

The District has provided for an emergency reserve fund equal to 3% or more of its fiscal year spending for 2022 (excluding any bonded debt service) pursuant to TABOR.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners of WELD COUNTY, Colorado.

On behalf of the COTTONWOOD GREENS METROPOLITAN DISTRICT NO. 5,
(taxing entity)

the BOARD OF DIRECTORS
(governing body)

of the COTTONWOOD GREENS METROPOLITAN DISTRICT NO. 5
(local government)

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 119,180 assessed valuation of: (GROSS assessed valuation, Line 2 of the Certification of Valuation Form DLG 57)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area 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: \$ 119,180 (NET assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)

Submitted: 12/11/2021 for budget/fiscal year 2022.
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY		REVENUE
1. General Operating Expenses	<u>55.664</u>	mills	\$ <u>6,634</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction	<u>< 0 ></u>	mills	\$ <u><0></u>
SUBTOTAL FOR GENERAL OPERATING:	<u>55.664</u>	mills	\$ <u>6,634</u>
3. General Obligation Bonds and Interest	<u>0.000</u>	mills	\$ 0
4. Contractual Obligations	<u>0.000</u>	mills	\$ 0
5. Capital Expenditures		mills	\$
6. Refunds/Abatements	<u>0.000</u>	mills	\$ 0
7. Other (specify): _____		mills	\$ _____
		mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	<u>55.664</u>	mills	\$ <u>6,634</u>

Contact person: (print) Debbie Genella Daytime phone: 303-515-2954
Signed: Deborah Genella Title: District Manager
Deborah Genella (Dec 13, 2021 14:55 MST)

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, Colorado 80203. Questions? Call DLG at (303) 864-7720.

CERTIFICATION OF TAX LEVIES, continued
COTTONWOOD GREENS METROPOLITAN DISTRICT NO. 5

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:

1. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

2. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

CONTRACTS:

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.