

RESOLUTION
ADOPTING BUDGET, APPROPRIATING FUNDS AND CERTIFYING MILL LEVIES
FOR THE CALENDAR YEAR 2024

The Board of Directors of Cottonwood Metropolitan District (the “**Board**”), Douglas County, Colorado (the “**District**”), held a regular meeting, via teleconference and at 8334 Sandreed Circle, Parker, Colorado on November 28, 2023, at the hour of 7:00 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 2024 BUDGET

Colorado Community Media
750 W. Hampden Ave. Suite 225
Englewood, CO 80110

Cottonwood Metro District (wba) **
c/o White, Bear & Ankele, P.C.
2154 East Commons Avenue, Suite 2000
Centennial CO 80122

AFFIDAVIT OF PUBLICATION

State of Colorado }
County of Douglas } ss

This Affidavit of Publication for the Douglas County News Press, a weekly newspaper, printed and published for the County of Douglas, State of Colorado, hereby certifies that the attached legal notice was published in said newspaper once in each week, for 1 successive week(s), the last of which publication was made 11/16/2023, and that copies of each number of said paper in which said Public Notice was published were delivered by carriers or transmitted by mail to each of the subscribers of said paper, according to their accustomed mode of business in this office.

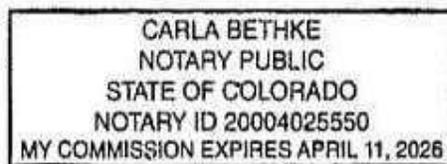


For the Douglas County News-Press

State of Colorado }
County of Arapahoe } ss

The above Affidavit and Certificate of Publication was subscribed and sworn to before me by the above named Linda Shapley, publisher of said newspaper, who is personally known to me to be the identical person in the above certificate on 11/16/2023. Linda Shapley has verified to me that she has adopted an electronic signature to function as her signature on this document.

20004025550-356277
Carla Bethke
Notary Public
My commission ends April 11, 2026



Public Notice

NOTICE OF PUBLIC HEARING ON THE PROPOSED 2024 BUDGET

NOTICE IS HEREBY GIVEN that the Board of Directors (the "**Board**") of the COTTONWOOD METROPOLITAN DISTRICT (the "**District**"), will hold a meeting at 8334 Sandreed Circle, Parker, Colorado on **November 28, 2023 at 7:00 P.M.**, for the purpose of conducting such business as may come before the Board including a public hearing on the 2024 proposed budget (the "**Proposed Budget**").

NOTICE IS FURTHER GIVEN that the Proposed Budget has been submitted to the District. A copy of the Proposed Budget is on file in the office of White Bear Ankele Tanaka and Waldron, 2154 E. Commons Ave., Suite 2000, Centennial, CO 80122, where the same are open for public inspection.

Any interested elector of the District may file any objections to the Proposed Budget at any time prior to final adoption of the Proposed Budget by the Board. This meeting is open to the public and the agenda for any meeting may be obtained at <http://www.cottonwoodmetro.org/> or by calling (303) 858-1800.

BY ORDER OF THE BOARD OF DIRECTORS: COTTONWOOD METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado

/s/ WHITE BEAR ANKELE
TANAKA & WALDRON
Attorneys at Law

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WHEREAS, the Board has designated 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 open for inspection by the public at a designated place, a public hearing was held and interested electors were given the opportunity to register their protest to the proposed budget prior to the 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 2024. 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 for General Operating Expenses. For the purpose of meeting all general operating expenses of the District during the 2024 budget year, there is hereby levied a tax of ^{8.300}~~8.000~~ .000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 3. Levy for Debt Service Obligations. For the purposes of meeting all debt service obligations of the District during the 2024 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.

Section 4. Levy for Contractual Obligation Expenses. For the purposes of meeting all contractual obligations of the District during the 2024 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.

Section 5. Levy for Capital Project Expenses. For the purposes of meeting all capital project obligations of the District during the 2024 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.

Section 6. 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 7. Certification to County Commissioners. The Board directs its legal counsel, manager, accountant or other designee to certify to the Board of County Commissioners of Douglas 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 8. Appropriations. The amounts set forth as expenditures in the budget attached hereto are hereby appropriated.

Section 9. 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 10. 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 NOVEMBER 28, 2023.

DISTRICT:

COTTONWOOD METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado

By: 
Officer of the District

Attest:

By: 

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law


General Counsel to the District

STATE OF COLORADO
COUNTY OF DOUGLAS
COTTONWOOD METROPOLITAN DISTRICT

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 at 8334 Sandreed Circle, Parker, Colorado and via teleconference on November 28, 2023, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 28th day of November, 2023.



EXHIBIT A
BUDGET DOCUMENT
BUDGET MESSAGE

COTTONWOOD METROPOLITAN DISTRICT
2024 BUDGET MESSAGE

BACKGROUND

The District was established to provide and maintain an open space park, recreational facilities and programs, landscaping improvements, subdrain systems and provide mosquito control.

ACCOUNTING

The accounts of the District are organized on the basis of funds or account groups, each of which is considered a separate accounting entity. The District follows the modified accrual basis of accounting.

BUDGET HIGHLIGHTS

1. The Assessed Valuation of the District has changed as follows:

Current year	\$ 107,009,447
Prior year	<u>81,274,398</u>
Increase	25,735,049

2. Mill Levy

	<u>2024</u>	<u>2023</u>	<u>Change</u>
General Fund	8.800	8.300	.500

3. The 2024 Budget includes park maintenance and subdrain vault maintenance.

4. Capital Improvements General Fund

Jordan Road Improvements	\$ 150,000
Maintenance Yard Structure	250,000
New Security Camera System	<u>25,000</u>
	\$ 425,000

5. Capital Improvements Conservation Trust Fund

New Playground \$80,000

COTTONWOOD METROPOLITAN DISTRICT			
	2024		
	GENERAL FUND		
	Actual	Estimated	Budget
	2022	2023	2024
REVENUE			
Property Taxes	713,162	714,628	888,178
Specific Ownership Taxes	67,632	70,660	71,000
Interest Income	633	2,267	2,400
Other Income	200	200	400
TOTAL REVENUE	781,627	787,755	961,978
EXPENDITURES			
Audit	5,900	6,300	6,900
Directors Fees	5,200	6,500	7,000
Insurance	12,640	16,000	16,500
Legal	14,020	16,900	38,000
Maintenance - Vaults	3,895	18,900	14,800
Maintenance - Park	275,470	450,000	425,000
Vandalism	1,843	2,770	12,000
Management Fees	17,775	29,000	35,000
Accounting	36,000	36,000	39,600
Miscellaneous Expense	6,322	7,200	7,700
Mosquito Control	5,045	5,449	7,200
Treasurers Fees	10,699	10,718	14,800
Utilities	61,846	44,900	67,600
Capital Projects	40,934	5,000	425,000
TOTAL EXPENDITURES	497,589	655,637	1,117,100
Net Change in Fund Balance	284,038	132,118	-155,122
BEGINNING FUND BALANCE	664,014	948,052	1,080,170
ENDING FUND BALANCE	948,052	1,080,170	925,048

COTTONWOOD METROPOLITAN DISTRICT				
BUDGET ASSUMPTIONS 2024				
	INCOME			
1.	PROPERTY TAX REVENUE			
		Mill		
	Assessed Valuation 12/22/2023	Levy		Total
	107,009,447	8.300		888,178
2.	SPECIFIC OWNERSHIP TAXES			71,000
3.	INTEREST INCOME			
	2022 Budget	General		2,400
		Lottery		400
4.	OTHER INCOME			
	This includes rental tax collected and paid by Douglas County Treasurer			400
5.	LOTTERY INCOME			42,000
	TOTAL 2024 INCOME			<u>1,004,378</u>
	EXPENSES			
6.	AUDIT			
	Annual audit			6,900
7.	DIRECTORS' FEES			
	12 Regular Meeting, 2 Special Meetings			7,000
8.	INSURANCE			
	Property & General Liability Coverage			16,500
9.	LEGAL			
	Notices, Audit letter etc.		12,000	
	Elections (Capital Expenditures/Fence)		20,000	
	Miscellaneous		6,000	
	Contract reviews, developer problems		4,000	
				42,000

10.	MAINTENANCE - VAULTS				
	Monthly Estimate			400	
				12	
				4,800	
	Motor replacements & major repairs			10,000	
					14,800
11.	MAINTENANCE - PARK				
	Maintenance Contract				
	Current Monthly Fee		14,984		
	Per 10/24/23 Proposal		17,081		
			12	204,972	
	Honey Bucket/Sanolet				
	Monthly		704.40		
	Projected Increase 10 %		774.84		
			12	9,298	
	Waste Management				
	1,650.00	7.00	11,550		
	430.00	5.00	2,150		
			13,700		
	Projected Increase 10 %			15,070	
	Other Park Maintenance				
	Sprinkler Repairs & Replacement			3,000	
	Weed Control			12,000	
	Small Capital Improvement Projects			20,000	
	Expanded areas (8,500 X 12)			102,000	
	Snow Removal			9,000	
	Tree Care/Removal			8,000	
	Playground Repair			10,000	
	Parking Lots Sealing			5,000	
	Dog Waste & Trash Cans			10,000	
	Miscellaneous			16,660	
	Total Other Maintenance			195,660	
	Total Park Maintenance				425,000
12	Vandalism	\$1,000 per month			12,000
13	MANAGEMENT FEES				
	Special Projects			19,600	
	Elections			12,000	
					31,600
14	Accounting				
	Current Monthly Fee			3,000	

		Projected Increase 10 %		3,300	
				12	39,600
15	MISCELLANEOUS EXPENSE				
	Phone			1,100	
	Website			3,000	
	Special District Dues			700	
	Other			2,900	
					7,700
15	MOSQUITO CONTROL				
	Current Monthly Fee			1,090	
		Projected Increase 10 %		1,199	
	Current contract for 5 months, assume 6 moths 2024			6	
				7,194	
		Round to			7,200
16	TREASURER'S FEES				
	Fee paid to Douglas County Treasurer for collections of Property taxes				
				888,178	
				1.50%	
				13,323	
		Round to			14,800
17	UTILITIES		Dollars		
	Water	Paid thru 8/23/23 reading	21,234		
		September estimate	7,000		
		October estimate	3,000		
		Small meter for year	500		
	Water Bill Estimate for 2023		31,734		
	Electric Bill Estimate for 2023		8,400		
	Total Estimated Utility Bill for 2023		40,134		
	2023 was an unusually wet year.				
	2024 Budget Estimate based on average of 2020 thru 2022				
	Water			48,420	
	Assume 10 % increase			53,262	
	Electric bill, 27 % of water bill			14,381	
	2024 Utility Budget			67,643	
		Round to			67,600
18	CAPITAL EXPENDITURES				
	Jordan Road Landscape & Fence Improvements			150,000	

	Maintenance Building		250,000	
	Security Camera System		25,000	
				425,000
	GENERAL FUND TOTALS			1,117,700
19	LOTTERY EXPENDITURES			
	New Playground			80,000
	TOTAL GENERAL & LOTTER FUND EXPENDITURES			1,197,700

COTTONWOOD METROPOLITAN DISTRICT			
	2024		
CONSERVATION TRUST FUND			
	Actual	Estimated	Budget
	2022	2023	2024
REVENUE			
Lottery Proceeds	42,174	41,000	42,000
Interest Income	231	300	400
TOTAL REVENUE	42,405	41,300	42,400
EXPENDITURES			
Maintenance Park	8,750		
Capital Expenditures	69,890	6,800	80,000
TOTAL EXPENDITURES	78,640	6,800	80,000
NET CHANGE	-36,235	34,500	-37,600
BEGINNING FUND BALANCE	94,436	58,201	92,701
ENDING FUND BALANCE	58,201	92,701	55,101