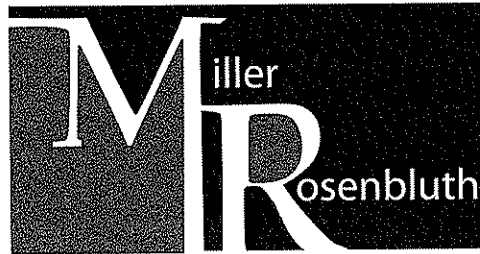


**DIANNE D. MILLER**

Admitted in Colorado  
and New Mexico

**MONICA A. ROSENBLUTH**

Admitted in Colorado, New Mexico  
and Wyoming



**ATTORNEYS AT LAW**

**MATTHEW P. RUHLAND**

Admitted in Colorado

January 29, 2010

**SENT VIA ELECTRONIC MAIL**

Division of Local Government  
1313 Sherman Street  
Room 521  
Denver, CO 80203

RE: Cottonwood Greens Metropolitan District No. 3  
LGID# 65620

To Whom It May Concern:

Attached for your files is the 2010 Budget Resolution for Cottonwood Greens Metropolitan District No. 3 in accordance with state filing requirements. Please do not hesitate to contact me with any questions.

Very truly yours,

MILLER ROSENBLUTH, LLC

Leslie Stockton  
Paralegal

**BUDGET RESOLUTION  
(2010)**

**CERTIFIED COPY OF RESOLUTION**

STATE OF COLORADO    )  
  ) *ss.*  
COUNTY OF WELD        )

The Board of Directors of the Cottonwood Greens Metropolitan District No. 3, City of Fort Lupton, Colorado, held a special meeting at 211 North Public Road, Suite 200, Lafayette, Colorado, 80026, on Wednesday, December 2, 2009, at the hour of 9:30 A.M.

The following members of the Board of Directors were present:

Axel Bishop  
Carol Bishop  
Delbert Martin

Also present was Dianne D. Miller, Miller Rosenbluth, LLC.

Ms. Miller 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. She further reported that this is a special meeting of the Board of Directors of the District and that said notice of special meeting was posted at three (3) places within the boundaries of the District and at the County of Weld Administrative Building in Greeley, Colorado, and to the best of her knowledge, remains posted to the date of this meeting.

NOTICE AS TO PROPOSED 2010 BUDGET

**COTTONWOOD GREENS METROPOLITAN DISTRICT NOS. 1-4**  
**NOTICE OF SPECIAL MEETINGS**  
**And**  
**NOTICE AS TO PROPOSED 2010 BUDGETS**

**December 2, 2009**

NOTICE IS HEREBY GIVEN that the Boards of Directors (the "Boards") of the **COTTONWOOD GREENS METROPOLITAN DISTRICT NOS. 1-4** (the "Districts"), City of Fort Lupton, State of Colorado, will hold special meetings at 9:30 A.M. on Wednesday, December 2, 2009, at 211 North Public Road, Suite 200, Lafayette, Colorado 80026 for the purpose of conducting such business as may come before the Boards.

FURTHER, NOTICE IS HEREBY GIVEN that proposed budgets have been submitted to the **COTTONWOOD GREENS METROPOLITAN DISTRICT NOS. 1-4** for the ensuing year of 2010. A copy of the proposed budgets have been filed in the office of Miller Rosenbluth, LLC, 700 17<sup>th</sup> Street, Suite 2200, Denver, Colorado, where same are open for public inspection. Such proposed budgets will be considered at the special meetings of the Districts to be held at 9:30 A.M. on Wednesday, December 2, 2009. Any interested elector within the Districts may inspect the proposed budgets and file or register any objections at any time prior to the final adoption of the 2010 budgets.

The meetings are open to the public.

BY ORDER OF THE BOARDS OF DIRECTORS  
COTTONWOOD GREENS METROPOLITAN DISTRICT NOS. 1 -4

By: /s/ MILLER ROSENBLUTH, LLC

**Agenda**

- 1) Call to Order
- 2) Declaration of Quorum
- 3) Approval of Minutes
  - a. December 9, 2008
- 4) Public Hearing on 2010 Budgets
- 5) Consider 2010 Annual Administrative Resolutions
- 6) Consider 2009 Audit Exemptions
- 7) Other Business
- 8) Adjourn

THE NEXT REGULAR MEETING IS ON THURSDAY, NOVEMBER 4, 2010 AT 4:30 P.M.

Thereupon, Director C. Bishop introduced and moved the adoption of the following Resolution:

RESOLUTION

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET AND APPROPRIATING SUMS OF MONEY TO EACH FUND IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE COTTONWOOD GREENS METROPOLITAN DISTRICT NO. 3, CITY OF FORT LUPTON, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2010 AND ENDING ON THE LAST DAY OF DECEMBER, 2010.

WHEREAS, the Board of Directors (the "Board") of the Cottonwood Greens Metropolitan District No. 3 (the "District") has authorized its treasurer and legal counsel 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 for its review and consideration; and

WHEREAS, upon due and proper notice, posted in accordance with Colorado law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held at 9:30 A.M. on Wednesday, December 2, 2009, 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 § 29-1-301, C.R.S., and Article X, § 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. 3, CITY OF FORT LUPTON, COLORADO, AS FOLLOWS:

Section 1. Summary of 2010 Revenues and 2010 Expenditures. That the estimated revenues and expenditures for each fund for fiscal year 2010, as more specifically set forth in the budget attached hereto as Exhibit A and incorporated herein, are accepted and approved.

Section 2. Adoption of Budget. That the budget as submitted, amended and attached hereto as Exhibit A and incorporated herein is approved and adopted as the budget of the District for fiscal year 2010.

Section 3. 2010 Levy of General Property Taxes. That the foregoing budget indicates that the amount of money from general property taxes necessary to balance the budget for the General Fund for operating expenses is \$-0- and that the 2009 valuation for assessment, as certified by the Weld County Assessor, is \$10. That, for the purposes of meeting all general operating expenses of the District during the 2010 budget year, there is hereby levied a tax of 43.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2010.

Section 4. 2010 Levy of Debt Retirement Expenses. That the foregoing budget indicates that the amount of money from general property taxes necessary to balance the budget for the Debt Service Fund for debt retirement expense is \$-0-, and that the 2009 valuation for assessment, as certified by the Weld County Assessor, is \$10. That, for the purposes of meeting all debt retirement expenses of the District during the 2010 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 for the year 2010.

Section 5. Certification to County Commissioners. That the Secretary of the District is hereby authorized and directed to immediately certify to the Board of County Commissioners of Weld County, the mill levy for the District hereinabove determined and set. That said certification shall be in substantially the following form:

**CERTIFICATION OF TAX LEVY**

TO THE BOARD OF COUNTY COMMISSIONERS OF WELD COUNTY, COLORADO.

Dear Commissioners:

For the year 2010, the Board of Directors of Cottonwood Greens Metropolitan District No. 3 hereby certifies a total levy of 43.000 mills to be extended by you upon the total assessed valuation of \$10 to produce \$-0- in revenue.

The levies and revenues are for the following purposes:

	<b>PURPOSE</b>	<b>LEVY</b>	<b>REVENUE</b>
1.	General Operating Expenses	43.000 mills	\$ -0-
2.	(Minus) Temporary Property Tax Credit/Temporary Mill Levy Rate Reduction	-0- mills	\$ -0-
	<b>SUBTOTAL</b>	43.000 mills	\$ -0-
3.	General Obligation Bonds and Interest *	-0- mills	\$ -0-
4.	Contractual Obligations approved at elections	-0- mills	\$ -0-
5.	Capital Expenditures levied pursuant to § 29-1-302(1.5), C.R.S.	-0- mills	\$ -0-
6.	Refunds/Abatements	-0- mills	\$ -0-
7.	Other	-0- mills	\$ -0-
	<b>TOTAL</b>	43.000 mills	\$ -0-

\* § 32-1-1603, C.R.S., requires special districts to "certify separate mill levies to the Board of County Commissioners, one each for funding requirements of each debt."

Contact Person: Dianne D. Miller

Daytime Phone: (303) 285-5320

By: Carol Bishop, Assistant Secretary of the District

**NOTE:** Certification **must** be to three decimal places **only**. If you are located in more than one county, please list all counties here: N/A

IN WITNESS WHEREOF, I have hereunto set my hand on Wednesday, December 2, 2009.

  
\_\_\_\_\_  
Carol Bishop, Assistant Secretary

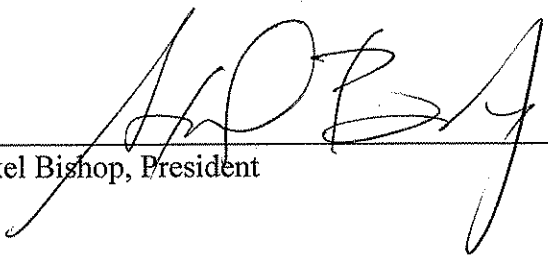
Section 6. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

Section 7. Budget Certification. That the budget shall be certified by Carol Bishop, Assistant Secretary of the District, and made a part of the public records of Cottonwood Greens Metropolitan District No. 3.

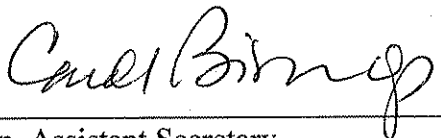
The foregoing Resolution was seconded by Director Martin.

RESOLUTION APPROVED AND ADOPTED THIS 2<sup>nd</sup> DAY OF DECEMBER, 2009.

COTTONWOOD GREENS METROPOLITAN  
DISTRICT NO. 3

  
Axel Bishop, President

ATTEST:

  
Carol Bishop, Assistant Secretary



STATE OF COLORADO  
COUNTY OF WELD  
COTTONWOOD GREENS METROPOLITAN DISTRICT NO. 3

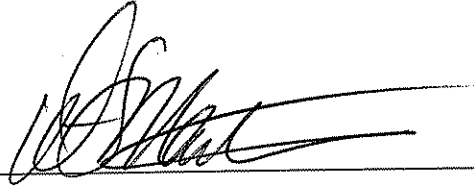
I, Carol Bishop, hereby certify that I am a director and the duly elected and qualified Assistant Secretary of the Cottonwood Greens Metropolitan District No. 3, and that the foregoing constitutes a true and correct copy of the record of proceedings of the Board of Directors of said District adopted at a meeting of the Board of Directors of the Cottonwood Greens Metropolitan District No. 3 held at 9:30 A.M. on Wednesday, December 2, 2009, at 211 North Public Road, Suite 200, Lafayette, Colorado, 80026 as recorded in the official record of the proceedings of the District, insofar as said proceedings relate to the budget hearing for fiscal year 2010; 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 this 2<sup>nd</sup> day of December, 2009.

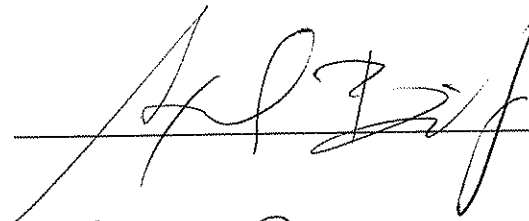
  
\_\_\_\_\_  
Carol Bishop, Assistant Secretary

ACKNOWLEDGEMENT OF NOTICE AND  
APPROVAL OF RECORD OF PROCEEDINGS

We, the undersigned members of the Board of Directors of the Cottonwood Greens Metropolitan District No. 3, City of Fort Lupton, Colorado, do hereby acknowledge receipt of proper notice of the meeting of the Board held Wednesday, December 2, 2009, at 9:30 A.M., at 211 North Public Road, Lafayette, Colorado, 80026, informing of the date, time and place of the meeting and the purpose for which it was called, and we do hereby approve said record of proceedings and the actions taken by the Board as stated therein.



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Carol Bishop

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**EXHIBIT A**  
**BUDGET DOCUMENT**  
**BUDGET MESSAGE**

**COTTONWOOD GREENS METROPOLITAN DISTRICT NO. 3  
2010 BUDGET**

	<u>Actual 2008</u>	<u>Estimated 2009</u>	<u>Proposed 2010</u>
Beginning Funds Available	\$ 1,350	\$ 1,350	\$ 1,350
Revenue:			
Property Taxes	-0-	-0-	-0-
Services	-0-	-0-	-0-
Refund	-0-	-0-	-0-
Other/Miscellaneous (Contributions)	-0-	-0-	-0-
Specific Ownership Taxes			
Developer Advances	43,650	43,650	43,650
Total Revenue	<u>43,650</u>	<u>43,650</u>	<u>43,650</u>
Total Funds Available	<u>45,000</u>	<u>45,000</u>	<u>45,000</u>
Expenditures			
County Treasurer's Collection Fees	-0-	-0-	-0-
Insurance and Bonds	1,800	1,800	1,800
Accounting and Legal	40,350	41,850	40,350
Election Costs	1,500	-0-	1,500
Capital Improvements	-0-	-0-	-0-
Utilities (Public Service)	-0-	-0-	-0-
Miscellaneous	-0-	-0-	-0-
Directors' Fees	-0-	-0-	-0-
Total Expenditures	<u>43,650</u>	<u>43,650</u>	<u>43,650</u>
Ending Funds Available	<u>1,350</u>	<u>1,350</u>	<u>1,350</u>
Emergency Reserve	1,350	1,350	1,350
MILL LEVY			
Certified Assessed Valuation	\$ 10	10	10
Mill Levy-General	43.000	43.000	43.000
Property Taxes (est.)	-0-	-0-	-0-

**COTTONWOOD GREENS METROPOLITAN DISTRICT NO. 3  
2010 BUDGET**

**SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Through its Service Plan, the Cottonwood Greens Metropolitan District No. 3 (the "District") is authorized to finance certain streets, street lighting, traffic and safety controls, water, landscaping, storm drainage and park and recreation improvements.

Revenue

Developer Advance

The primary source of funds for 2010 is developer advances.

Expenditures

Administrative Expenses

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

Funds Available

The District's budget exists from the developer's advances to cover the District's operations, including its administrative functions.

Accounting Method

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