

**BUDGET RESOLUTION
(2019)**

CERTIFIED COPY OF RESOLUTION

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

At the special meeting of the Board of Directors of Cottonwood Greens Metropolitan District No. 3, City of Fort Lupton, County of Weld, Colorado, held at 2:30 PM on Thursday, September 27, 2018, at 1641 California Street, Suite 300, Denver, CO 80202, there were present:

Mariano DeCola
William J. Johanningmeier
Josef Guetlein

Also present was Michael Davis of Miller & Associates Law Offices, LLC.

Mr. Davis 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. He further reported that this is a special meeting of the Board of Directors of the District and that the notice of the meeting was posted in at three (3) places within the boundaries of the District and at the Weld County Clerk and Recorder's Office, and to the best of his knowledge, remains posted to the date of this meeting.

NOTICE AS TO PROPOSED 2019 BUDGET
COTTONWOOD GREENS METROPOLITAN DISTRICT NOS. 2-4
NOTICE OF SPECIAL MEETINGS
AND
NOTICE AS TO PROPOSED 2019 BUDGETS

September 27, 2018

NOTICE IS HEREBY GIVEN that the Boards of Directors (the "Boards") of the **COTTONWOOD GREENS METROPOLITAN DISTRICT NOS. 2-4** (the "Districts") City of Fort Lupton, County of Weld, State of Colorado, will hold a special meetings at 2:30 P.M. on Thursday, September 27, 2018, at 1641 California Street, Suite 300, Denver, CO 80202 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 Districts for the ensuing year of 2019. Copies of the proposed budgets have been filed in the office of Miller & Associates Law Offices, LLC, 1641 California Street, Suite 300, Denver, CO 80202, where the same are open for public inspection. Such proposed budgets will be considered at the special meetings of the Districts to be held at 2:30 P.M. on Thursday, September 27, 2018. 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 2019 budgets.

The meetings are open to the public.

BY ORDER OF THE BOARD OF DIRECTORS
COTTONWOOD GREENS METROPOLITAN
DISTRICT NOS. 2-4

By: /s/ MILLER & ASSOCIATES LAW OFFICES, LLC

Agenda

- 1) Call to Order
- 2) Declaration of Quorum
- 3) Consider Approval of February 28, 2018 Meeting Minutes
- 4) Public Hearing to Consider Approval of 2019 Budget
 - a) Adopt 2019 Budget, Certify Mill Levy, Appropriate 2019 Expenditures
- 5) Consider Approval of 2019 Annual Administrative Resolution
- 6) Consider Approval of Resolution Waiving Workers' Compensation Insurance for 2019
- 7) Consider Approval of 2018 Audit Exemption Resolution
- 8) Update on Status of Development
 - a) Discuss pending sale of property within the Districts' boundaries, and possible amendments to the Districts' service plans
- 9) Other Business
- 10) Adjourn

Thereupon, Director Johanningmeier 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, WELD COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2019 AND ENDING ON THE LAST DAY OF DECEMBER, 2019.

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 2019 budget has been submitted to the Board for its 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 2:30 PM on Thursday, September 27, 2018, 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. 3, WELD COUNTY, COLORADO, AS FOLLOWS:

Section 1. Summary of 2019 Revenues and 2019 Expenditures. That the estimated revenues and expenditures for each fund for fiscal year 2019, as more specifically set forth in the budget attached hereto, are accepted and approved.

Section 2. Adoption of Budget. That the budget as submitted, amended and attached hereto and incorporated herein is approved and adopted as the budget of the District for fiscal year 2019.

Section 3. 2019 Levy of General Property Taxes. That the foregoing budget indicates that the amount of money necessary to balance the budget for the General Fund for operating expenses is \$4,946, and that the 2018 valuation for assessment, as certified by the Weld County Assessor, is \$115,030. That for the purposes of meeting all general operating expenses of the District during the 2019 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 2019.

Section 4. 2019 Levy of Debt Retirement Expenses. That the foregoing budget indicates that the amount of money necessary to balance the budget for the Debt Service Fund for debt retirement expense is \$0 and that the 2018 valuation for assessment, as certified by the Weld County Assessor, is \$115,030. That for the purposes of meeting all debt retirement expenses of the District during the 2019 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 2019.

Section 5. Certification to Board of County Commissioners. That the attorney for the District is hereby authorized and directed to immediately certify to the Weld County Board of County Commissioners, 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 2019, 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 \$115,030 to produce \$4,946 in revenue.

The levies and revenues are for the following purposes:

	PURPOSE	LEVY	REVENUE
1.	General Operating Expenses	43.000 mills	\$ 4,946
2.	(Minus) Temporary Property Tax Credit/Temporary Mill Levy Rate Reduction	-0- mills	\$ -0-
	SUBTOTAL	43.000 mills	\$ 4,946
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-
10.	Other	-0- mills	\$ -0-
	TOTAL	43.000 mills	\$ 4,946

* § 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: _____, Legal Counsel 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 September 27, 2018.

Dianne D. Miller,
Legal Counsel of the District

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 Guettein.

RESOLUTION APPROVED AND ADOPTED ON SEPTEMBER 27, 2018.

COTTONWOOD GREENS METROPOLITAN DISTRICT NO. 3

By: 

Mariano DeCola, President

ATTEST:


William J. Johannigmeier, Secretary/Treasurer

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

I, William J. Johanninger, hereby certify that I am a director and the duly elected and qualified Secretary/Treasurer of the Cottonwood Greens Metropolitan District No. 3 (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 2:30 PM on Thursday, September 27, 2018, at 1641 California Street, Suite 300, Denver, CO 80202 as recorded in the official record of the proceedings of the District, insofar as said proceedings relate to the budget hearing for fiscal year 2019; 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 September 27, 2018.




William J. Johanninger, Secretary/Treasurer

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, Weld County, Colorado, do hereby acknowledge receipt of proper notice of the meeting of the Board held at 2:30 PM on Thursday, September 27, 2018, at 1641 California Street, Suite 300, Denver, CO 80202, 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.







**EXHIBIT A
BUDGET DOCUMENT & BUDGET MESSAGE**

**COTTONWOOD GREENS METROPOLITAN DISTRICT NO. 3
2019 BUDGET**

	<u>Actual 2017</u>	<u>Estimated 2018</u>	<u>Proposed 2019</u>
Beginning Funds Available	\$ 1,350	\$ 1,350	\$ 1,400
Revenue:			
Property Taxes	1	0	4,946
Services	0	0	0
Refund	0	0	0
Other/Miscellaneous (Contributions)	0	0	0
Specific Ownership Taxes	0	0	0
Developer Advances	43,649	46,150	43,650
Total Revenue	<u>43,650</u>	<u>46,150</u>	<u>48,596</u>
Total Funds Available	<u>\$ 45,000</u>	<u>\$ 47,500</u>	<u>\$ 49,996</u>
Expenditures			
County Treasurer's Collection Fees	0	0	0
Insurance and Bonds	1,800	2,800	2,800
Accounting and Legal	41,850	40,800	41,850
Election Costs	0	2,500	0
Capital Improvements	0	0	0
Utilities (Public Service)	0	0	0
Miscellaneous	0	0	0
Directors' Fees	0	0	0
Developer Reimbursement	0	0	0
Total Expenditures	<u>43,650</u>	<u>46,100</u>	<u>44,650</u>
Ending Funds Available	<u>1,350</u>	<u>1,400</u>	<u>5,346</u>
Emergency Reserve	1,310	1,383	1,340
MILL LEVY			
Certified Assessed Valuation	20	20	115,030
Mill Levy-General	43.000	0.000	43.000
Property Taxes (est.)	1	0	4,946

COTTONWOOD GREENS METROPOLITAN DISTRICT NO. 3
2019 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, sewer improvements, landscaping, and park and recreation improvements.

Revenue

Developer Advances

The primary source of funds for 2019 is developer advances. The District anticipates receiving developer advances in the amount of \$43,650 to pay for operations and maintenance expenses.

Expenditures

Administrative Expenses

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

Funds Available

The District’s budget exists from developer 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