

**RESOLUTION**  
**ADOPTING BUDGET, APPROPRIATING FUNDS AND CERTIFYING MILL LEVIES**  
**FOR THE CALENDAR YEAR 2023**

---

The Board of Directors of Cottonwood Creek Metropolitan District No. 1 (the “**Board**”), City of Aurora, Arapahoe County, Colorado (the “**District**”), held a special meeting, via teleconference on December 1, 2022, at the hour of 9:00 A.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.

*[Remainder of Page Intentionally Left Blank]*

NOTICE AS TO PROPOSED 2023 BUDGET

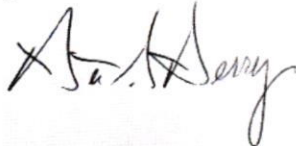
SENTINEL  
PROOF OF PUBLICATION

STATE OF COLORADO  
COUNTY OF ARAPAHOE }ss.

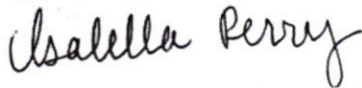
I DAVID PERRY, do solemnly swear that I am the PUBLISHER of the SENTINEL; that the same is a weekly newspaper published in the Counties of Arapahoe, Adams, and Denver, State of Colorado and has a general circulation therein; that said newspaper has been published continuously and uninterruptedly in said Counties of Arapahoe, Adams and Denver for a period of more than fifty-two consecutive weeks prior to the first publication of the annexed legal notice or advertisement; that said newspaper has been admitted to the United States mails as second-class matter under the provisions of the Act of March 30, 1923, entitled "Legal Notices and Advertisements," or any amendments thereof, and that said newspaper is a weekly newspaper duly qualified for publishing legal notices and advertisements within the meaning of the laws of the State of Colorado.

That the annexed legal notice or advertisement was published in the regular and entire issue of every number of said weekly newspaper for the period 1 of consecutive insertions; and that the first publication of said notice was in the issue of said newspaper dated November 10 A.D. 2022 and that the last publication of said notice was in the issue of said newspaper dated November 10 A.D. 2022.

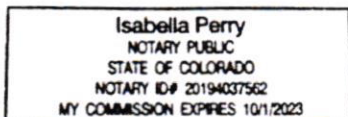
I witness whereof I have hereunto set my hand this 10th day of November A.D. 2022.



Subscribed and sworn to before me, a notary public in the County of Arapahoe, State of Colorado, this 10th day of November A.D. 2022.



Notary Public



NOTICE OF PUBLIC HEARING  
ON THE AMENDED 2022 BUDGET  
AND NOTICE OF PUBLIC HEARING  
ON THE PROPOSED 2023 BUDGET

NOTICE IS HEREBY GIVEN that the Board of Directors (the "Board") of the COTTONWOOD CREEK METROPOLITAN DISTRICT NO. 1 (the "District"), will hold a meeting via teleconference on December 1, 2022 at 9:00 A.M. for the purpose of conducting such business as may come before the Board including a public hearing on the 2023 proposed budget (the "Proposed Budget"). The necessity may also arise for an amendment to the 2022 budget (the "Amended Budget"). This meeting can be joined using the following teleconference information:

Join Zoom Meeting  
<https://us06web.zoom.us/j/87466174232?pwd=MWlqNGRlN3lOejllYXN0WDDHhklkdz09>  
Meeting ID: 874 6617 4232  
Passcode: 913707  
Call-in Number: 1-720-707-2699

NOTICE IS FURTHER GIVEN that the Proposed Budget and Amended Budget (if applicable) have been submitted to the District. A copy of the Proposed Budget and Amended Budget are on file in the office of Simmons & Wheeler, 304 Inverness Way S #490, Englewood, CO 80112, where the same are open for public inspection.

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

BY ORDER OF THE  
BOARD OF DIRECTORS:  
COTTONWOOD CREEK  
METROPOLITAN DISTRICT NO. 1,  
a quasi-municipal corporation and political  
subdivision of the State of Colorado  
/s/ WHITE BEAR ANKELE TANAKA &  
WALDRON  
Attorneys at Law

Publication: November 10, 2022  
Sentinel

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 2023. 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 2023 budget year, there is hereby levied a tax of 45.000 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 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.

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

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

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 Arapahoe 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.

*[Remainder of Page Intentionally Left Blank]*

ADOPTED THIS DECEMBER 1, 2022.

**DISTRICT:**

**COTTONWOOD CREEK METROPOLITAN DISTRICT NO. 1**, a quasi-municipal corporation and political subdivision of the State of Colorado

By: James Spchalaki  
Officer of the District

Attest:

By: Barry L Talley  
Barry L Talley (Dec 5, 2022 09:46 MST)

**APPROVED AS TO FORM:**

WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys at Law

Keith B. Tompkins  
General Counsel to the District

STATE OF COLORADO  
COUNTY OF ARAPAHOE  
COTTONWOOD CREEK METROPOLITAN DISTRICT NO. 1

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 via teleconference on December 1, 2022, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 3rd day of December, 2022.

Barry L Talley  
Barry L Talley (Dec 5, 2022 09:46 MST)

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



**COTTONWOOD CREEK METROPOLITAN DISTRICT NO. 1**  
**2023**  
**BUDGET MESSAGE**

Attached please find a copy of the adopted 2023 budget for the Cottonwood Creek Metropolitan District No. 1.

The Cottonwood Creek Metropolitan District No. 1 has adopted budgets for two funds, a General Fund to provide for the payment of general operating and maintenance expenditures and transfers to the Capital Projects Fund; and a Capital Projects Fund to provide for the estimated infrastructure costs that are to be built for the benefit of the district.

The district's accountants have utilized the modified accrual basis of accounting and the budget has been adopted after proper postings, publications, and public hearing.

The primary source of revenue for the district in 2023 will be property taxes. The district intends to impose a 45.000 mill levy on the property within the district for 2023, which will be dedicated to the General Fund.

**Cottonwood Creek Metropolitan District No. 1**  
**Adopted Budget**  
**General Fund**  
**For the Year ended December 31, 2023**

	Actual <u>2021</u>	Adopted Budget <u>2022</u>	Actual <u>6/30/2022</u>	Actual <u>2022</u>	Adopted Budget <u>2023</u>
Beginning fund balance	\$ 549,627	\$ 533,365	\$ 492,487	\$ 492,487	\$ 655,045
Revenues:					
Property taxes	554,159	219,552	219,537	219,552	319,703
Specific ownership taxes	38,193	17,564	6,758	13,600	25,576
Interest income	<u>192</u>	<u>500</u>	<u>2,529</u>	<u>5,000</u>	<u>5,000</u>
Total revenues	<u>592,544</u>	<u>237,616</u>	<u>228,824</u>	<u>238,152</u>	<u>350,279</u>
Total funds available	<u>1,142,171</u>	<u>770,981</u>	<u>721,311</u>	<u>730,639</u>	<u>1,005,324</u>
Expenditures:					
Accounting / audit	12,557	10,500	2,756	10,000	10,500
Legal	23,308	33,000	27,827	37,000	37,000
Insurance	4,547	3,300	3,301	3,301	3,630
Election	-	5,000	3,949	5,000	5,000
Miscellaneous	10	2,000	550	2,000	2,000
Website	950	-	-	-	-
Maintenance	-	15,000	-	15,000	15,000
Treasurer's fees	8,312	3,293	3,293	3,293	4,796
Contingency	-	60,846	-	-	-
Transfer to Capital projects	600,000	600,000	-	-	925,204
Emergency reserve (3%)	<u>-</u>	<u>2,064</u>	<u>-</u>	<u>-</u>	<u>2,194</u>
Total expenditures	<u>649,684</u>	<u>735,003</u>	<u>41,676</u>	<u>75,594</u>	<u>1,005,324</u>
Ending fund balance	<u>\$ 492,487</u>	<u>\$ 35,978</u>	<u>\$ 679,635</u>	<u>\$ 655,045</u>	<u>\$ -</u>
Assessed valuation		<u>4,878,935</u>			<u>7,104,501</u>
Mill Levy		<u>45.000</u>			<u>45.000</u>

**Cottonwood Creek Metropolitan District No. 1**  
**Adopted Budget**  
**Capital Projects Fund**  
**For the Year ended December 31, 2023**

	Actual <u>2021</u>	Adopted Budget <u>2022</u>	Actual 6/30/2022	Actual <u>2022</u>	Adopted Budget <u>2023</u>
Beginning fund balance	\$ 851,742	\$ 851,743	\$ 1,172,128	\$ 1,172,128	\$ 897,128
Revenues:					
Developer advances	279,614	-	-	-	-
Transfer from General Fund	<u>600,000</u>	<u>600,000</u>	<u>-</u>	<u>-</u>	<u>925,204</u>
Total revenues	<u>879,614</u>	<u>600,000</u>	<u>-</u>	<u>-</u>	<u>925,204</u>
Total funds available	<u>1,731,356</u>	<u>1,451,743</u>	<u>1,172,128</u>	<u>1,172,128</u>	<u>1,822,332</u>
Expenditures:					
Capital expenditures	279,614	1,451,743	-	275,000	1,822,332
Repay developer advances	271,987	-	-	-	-
Repay developer advances - interest	7,627	-	-	-	-
Transfer to Debt Service	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>559,228</u>	<u>1,451,743</u>	<u>-</u>	<u>275,000</u>	<u>1,822,332</u>
Ending fund balance	<u>\$ 1,172,128</u>	<u>\$ -</u>	<u>\$ 1,172,128</u>	<u>\$ 897,128</u>	<u>\$ -</u>

**Cottonwood Creek Metropolitan District No. 1**  
**Adopted Budget**  
**Debt Service Fund**  
**For the Year ended December 31, 2023**

	Actual <u>2021</u>	Adopted Budget <u>2022</u>	Actual <u>6/30/2022</u>	Actual <u>2022</u>	Proposed Budget <u>2023</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues:					
Property taxes	-	-	-	-	-
Specific ownership taxes	-	-	-	-	-
Transfer from Capital Projects (cap interest)	-	-	-	-	-
Interest income	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total funds available	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Expenditures:					
Interest expense senior bonds	-	-	-	-	-
Interest expense subordinate bonds	-	-	-	-	-
LOC Fee	-	-	-	-	-
Annual Remarketing fee	-	-	-	-	-
Legal	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Bond principal	-	-	-	-	-
Treasurer's fees	-	-	-	-	-
Trustee / paying agent fees	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Assessed valuation		<u>4,878,935</u>			<u>7,104,501</u>
Mill Levy		<u>-</u>			<u>-</u>
Total Mill Levy		<u>45.000</u>			<u>45.000</u>