

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

The Board of Directors of Cherry Creek South Metropolitan District No. 4 (the “**Board**”), Town of Parker, Douglas County, Colorado (the “**District**”), held a regular meeting, via teleconference on October 27, 2022, at the hour of 3:00 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 2023 BUDGET

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

Public Notice

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

Cherry Creek South Metro Districts (wba) **
c/o White Bear Ankele, Law
2154 East Commons Avenue, Suite 2000
Centennial CO 80122

NOTICE IS HEREBY GIVEN that the Boards of Directors (collectively the "Boards") of the CHERRY CREEK METROPOLITAN DISTRICT NOS. 4-6 (collectively the "Districts"), will hold a meeting via teleconference on **October 27, 2022 at 3:00 P.M.**, for the purpose of conducting such business as may come before the Boards including a public hearing on the 2023 proposed budgets (the "Proposed Budgets"). The necessity may also arise for amendments to the 2022 budgets (the "Amended Budgets"). This meeting can be joined using the following teleconference information:

Link:
<https://us06web.zoom.us/j/88149752954?pwd=Z2xyMUdwN01RNSsrMXFrUg5Snc1Zz09>
Meeting ID: 881 4975 2954
Passcode: 788924
Call-In Number: 1-720-707-2699

AFFIDAVIT OF PUBLICATION

State of Colorado }
County of Douglas } ss

NOTICE IS FURTHER GIVEN that the Proposed Budgets and Amended Budgets (if applicable) have been submitted to the Districts. A copy of the Proposed Budgets and Amended Budgets are on file in the office of CliftonLarsonAllen, LLP, 8390 E Crescent Pkwy #300, Englewood, CO 80111, where the same are open for public inspection.

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 10/20/2022, 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.

Any interested elector of the Districts may file any objections to the Proposed Budgets and Amended Budgets at any time prior to final adoption of the Proposed Budgets or the Amended Budgets by the Boards. 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
BOARDS OF DIRECTORS:

CHERRY CREEK SOUTH METROPOLITAN
DISTRICT NOS. 4-6,
quasi-municipal corporations and political
subdivisions of the State of Colorado

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

Legal Notice No. 943981
First Publication: October 20, 2022
Last Publication: October 20, 2022
Publisher: Douglas County News-Press

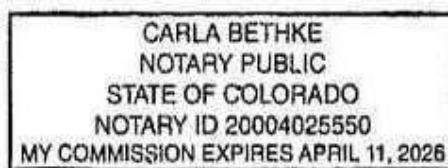


For the Douglas County News-Press

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 10/20/2022. Linda Shapley has verified to me that she has adopted an electronic signature to function as her signature on this document.

20004025550-061216
Carla Bethke
Notary Public
My commission ends April 11, 2026



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 10.317 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 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.

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 THIS OCTOBER 27, 2022.

DISTRICT:

**CHERRY CREEK SOUTH
METROPOLITAN DISTRICT NO. 4**, a quasi-
municipal corporation and political subdivision of
the State of Colorado

By: *Kurt Wolter*
Kurt Wolter (Nov 2, 2022 14:04 MDT)
Officer of the District

Attest:

By: *Kim Jensen*
Kim Jensen (Nov 3, 2022 09:18 MDT)

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

Megan G. Murphy
General Counsel to the District

STATE OF COLORADO
COUNTY OF DOUGLAS
CHERRY CREEK SOUTH METROPOLITAN DISTRICT NO. 4

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 Thursday, October 27, 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 November, 2022.

Kim Jensen
Kim Jensen (Nov 3, 2022 09:18 MDT)

EXHIBIT A
BUDGET DOCUMENT
BUDGET MESSAGE

CHERRY CREEK SOUTH METROPOLITAN DISTRICT NO. 4
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2023

**CHERRY CREEK SOUTH METROPOLITAN DISTRICT NO. 4
SUMMARY
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/30/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ -	\$ (31,570)	\$ 10
REVENUES			
Property taxes	-	24	184
Specific ownership tax	-	2	17
Interest income	1	-	-
Transfers from CCSMD No. 5	1,055,163	3,564,279	67,650,000
Developer advance	905,499	151,554	170,799
Total revenues	<u>1,960,663</u>	<u>3,715,859</u>	<u>67,821,000</u>
Total funds available	<u>1,960,663</u>	<u>3,684,289</u>	<u>67,821,010</u>
EXPENDITURES			
General Fund	31,571	120,000	171,000
Capital Projects Fund	1,960,662	3,564,279	67,650,000
Total expenditures	<u>1,992,233</u>	<u>3,684,279</u>	<u>67,821,000</u>
Total expenditures and transfers out requiring appropriation	<u>1,992,233</u>	<u>3,684,279</u>	<u>67,821,000</u>
ENDING FUND BALANCES	<u>\$ (31,570)</u>	<u>\$ 10</u>	<u>\$ 10</u>
EMERGENCY RESERVE	<u>\$ -</u>	<u>\$ 10</u>	<u>\$ 10</u>
TOTAL RESERVE	<u>\$ -</u>	<u>\$ 10</u>	<u>\$ 10</u>

No assurance provided. See summary of significant assumptions

**CHERRY CREEK SOUTH METROPOLITAN DISTRICT NO. 4
PROPERTY TAX SUMMARY INFORMATION
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/30/23

ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
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ASSESSED VALUATION

Agricultural	\$	2,250	\$	2,340	\$	5,760
State assessed		-		-		12,100
Certified Assessed Value		2,250		2,340		17,860

MILL LEVY

General		0.000		10.069		10.317
Total mill levy		0.000		10.069		10.317

PROPERTY TAXES

General	\$	-	\$	24	\$	184
Budgeted property taxes		-		24		184

BUDGETED PROPERTY TAXES

General	\$	-	\$	24	\$	184
		-		24		184

**CHERRY CREEK SOUTH METROPOLITAN DISTRICT NO. 4
GENERAL FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/30/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ -	\$ (31,570)	\$ 10
REVENUES			
Property taxes	-	24	184
Specific ownership tax	-	2	17
Interest income	1	-	-
Developer advance	-	151,554	170,799
Total revenues	<u>1</u>	<u>151,580</u>	<u>171,000</u>
Total funds available	<u>1</u>	<u>120,010</u>	<u>171,010</u>
EXPENDITURES			
General and administrative			
Accounting	5,992	40,000	55,000
Auditing	-	11,000	6,600
County Treasurer's fee	-	-	3
Directors' fees	200	400	600
Dues and licenses	-	830	1,500
Insurance and bonds	-	8,919	9,000
Legal services	25,379	55,000	80,000
Miscellaneous	-	1,550	1,400
Election expense	-	2,301	2,500
Contingency	-	-	14,397
Total expenditures	<u>31,571</u>	<u>120,000</u>	<u>171,000</u>
Total expenditures and transfers out requiring appropriation	<u>31,571</u>	<u>120,000</u>	<u>171,000</u>
ENDING FUND BALANCES	<u>\$ (31,570)</u>	<u>\$ 10</u>	<u>\$ 10</u>
EMERGENCY RESERVE	<u>\$ -</u>	<u>\$ 10</u>	<u>\$ 10</u>
TOTAL RESERVE	<u>\$ -</u>	<u>\$ 10</u>	<u>\$ 10</u>

No assurance provided. See summary of significant assumptions

**CHERRY CREEK SOUTH METROPOLITAN DISTRICT NO. 4
CAPITAL PROJECTS FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/30/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Developer advance	905,499	-	-
Transfers from CCSMD No. 5	1,055,163	3,564,279	67,650,000
Total revenues	<u>1,960,662</u>	<u>3,564,279</u>	<u>67,650,000</u>
Total funds available	<u>1,960,662</u>	<u>3,564,279</u>	<u>67,650,000</u>
EXPENDITURES			
Repay developer advance	1,055,163	-	-
Capital outlay	905,499	3,564,279	67,650,000
Total expenditures	<u>1,960,662</u>	<u>3,564,279</u>	<u>67,650,000</u>
Total expenditures and transfers out requiring appropriation	<u>1,960,662</u>	<u>3,564,279</u>	<u>67,650,000</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions

**CHERRY CREEK SOUTH METROPOLITAN DISTRICT NO. 4
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District was organized by Order and Decree of the District Court of Douglas County, Colorado on November 18, 2004, to provide financing for design, acquisition, construction and installation, relocation and redevelopment of essential public-purpose facilities such as water, streets, traffic and safety controls, parks, open space and recreation, sewer and drainage facilities, public transportation, and the operation and maintenance of the District. The District's service area is located entirely within the boundaries of the Town of Parker, Douglas County, Colorado.

At its organization election held on November 2, 2004, the voters approved general obligation indebtedness of \$37,560,000 for street improvements, \$37,560,000 for traffic safety, \$59,280,000 for parks and recreational facilities, \$14,280,000 for sanitary sewer system, \$8,880,000 for a complete potable and non-potable water system, \$130,000,000 for refunding District debt and \$10,000,000 for general operation and maintenance. District voters approved authorization to increase property tax up to \$1,000,000 annually to pay for the operations and maintenance expenditures of the District. Per the District's Service Plan, the Districts are limited to \$213,500,000, in the aggregate. Additionally, the election allows the District to collect, spend and retain all revenues, other than ad valorem taxes, without regard to the limitations contained in Article X, Section 20 of the Colorado constitution.

The District has no employees and all administrative function are contracted.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

Revenues

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August, and generally, sale of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

The calculation of the taxes levied is displayed on the Property Tax Summary page of the budget using the mill levy adopted by the District.

**CHERRY CREEK SOUTH METROPOLITAN DISTRICT NO. 4
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (continued)

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 9.0% of the property taxes collected

Developer Advances

The District is in the development stage. As such, operating and administrative costs are to be funded by the Developer. Developer advances are recorded as revenue for budget purposes with an obligation for the future repayment when the District is financially able to reimburse the Developer from bond proceeds and other legally available revenue.

Transfers from Cherry Creek South Metropolitan District No. 5

Pursuant to the Infrastructure Acquisition and Project Fund Disbursement Agreement between the District, Cherry Creek South Metropolitan District No. 5 ("District No. 5") and Cherry Creek South Metropolitan District No. 6 ("District No. 6"), the Districts have agreed that the District will own, operate and maintain all public improvements benefitting all Districts. The costs of the public improvements anticipated to be paid by the District No. 5 in 2023 are transferred to the District.

Expenditures

General and Administrative

General and administrative expenditures include services necessary to maintain the District's administrative viability such as legal, accounting, dues and insurance.

County Treasurer's Fees

County Treasurer's collection fees have been computed at 1.5% of property taxes.

Debts and Leases

The District has no outstanding debt or any operating or capital leases.

Reserve Funds

The District has provided for an emergency reserve equal to at least 3% of the fiscal year spending as defined under TABOR.

This information is an integral part of the accompanying budget.