

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

The Board of Directors of Cherry Creek South Metropolitan District No. 5 (the “**Board**”), Town of Parker, Douglas County, Colorado (the “**District**”), held a special meeting, via teleconference on December 11, 2023, at the hour of 10:00 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.

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NOTICE AS TO PROPOSED 2024 BUDGET

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

Cherry Creek South MDs (wba) **
c/o White Bear Ankele, Law
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 11/30/2023, 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.

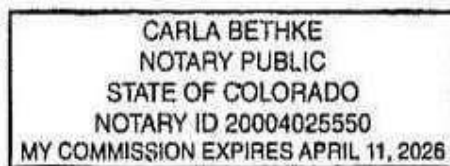


For the Douglas County News-Press

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 11/30/2023. Linda Shapley has verified to me that she has adopted an electronic signature to function as her signature on this document.

20004025550-598141
Carla Bethke
Notary Public
My commission ends April 11, 2026



Public Notice

NOTICE OF PUBLIC HEARING ON THE PROPOSED 2024 BUDGETS AND NOTICE OF PUBLIC HEARING ON THE AMENDED 2023 BUDGETS

The Boards of Directors (collectively the "Boards") of the CHERRY CREEK SOUTH METROPOLITAN DISTRICT NOS. 4-6 & 11 (collectively the "Districts"), will hold a public hearing via teleconference on **December 11, 2023, at 10:00 a.m.**, to consider adoption of the Districts' proposed 2024 budgets (the "Proposed Budgets"), and, if necessary, adoption of an amendment to the 2023 budgets (the "Amended Budgets"). This public hearing may be joined using the following teleconference information:

<https://us06web.zoom.us/j/82032497807?pwd=QUJhQ2Vcc2tWb0JQcXErVFITN2g0dz09>
Meeting ID: 820 3249 7807
Passcode: 027110
Call-in Number: +1-720-707-2699

The Proposed Budgets and Amended Budgets are available for inspection by the public at the offices of CliftonLarsonAllen, LLP, 8390 East Crescent Parkway, Suite 300, Greenwood Village, CO 80111.

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

The agenda for any meeting may be obtained at <https://cherrycreekmetrodistrict.com/> or by calling (303) 858-1800.

BY ORDER OF THE BOARDS OF DIRECTORS:

CHERRY CREEK SOUTH METROPOLITAN DISTRICT NOS. 4-6 & 11, quasi-municipal corporations and political subdivisions of the State of Colorado

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

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Publisher: Douglas County News-Press

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 0.000 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 59.546 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 10.446 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 DECEMBER 11, 2023.

DISTRICT:

CHERRY CREEK SOUTH METROPOLITAN DISTRICT NO. 5, a quasi-municipal corporation and political subdivision of the State of Colorado

By: *Sarah Humache*
Officer of the District

Attest:

By: *Kim Jensen*
Kim Jensen (Dec 11, 2023 11:38 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 DOUGLAS
CHERRY CREEK SOUTH METROPOLITAN DISTRICT NO. 5

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 , as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 11 day of December, 2023.

Kim Jensen
Kim Jensen (Dec 11, 2023 11:38 MST)
Signature

EXHIBIT A
BUDGET DOCUMENT
BUDGET MESSAGE

CHERRY CREEK SOUTH METROPOLITAN DISTRICT NO. 5
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2024

**CHERRY CREEK SOUTH METROPOLITAN DISTRICT NO. 5
SUMMARY
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/30/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2 2024
BEGINNING FUND BALANCES	\$ 65,745,643	\$ 66,735,270	\$ 62,739,693
REVENUES			
Property taxes	131	130	1,170
Property taxes - Infrastructure Capital	11	12	103
Property taxes - Town Capital and Maintenance	12	11	102
Specific ownership taxes	11	12	105
Specific ownership taxes - Infrastructure Capital	1	1	9
Specific ownership taxes - Town Capital and Maintenance	1	1	9
Interest income	1,078,734	1,060,000	325,000
Developer advance	3,515,458	5,700,000	10,000,000
Transfers from CCSMD No. 6	104	270	1,222
Total revenues	<u>4,594,463</u>	<u>6,760,437</u>	<u>10,327,720</u>
TRANSFERS IN	<u>4,000</u>	<u>4,000</u>	<u>4,000</u>
Total funds available	<u>70,344,106</u>	<u>73,499,707</u>	<u>73,071,413</u>
EXPENDITURES			
Debt Service Fund	4,015	4,014	4,130
Capital Projects Fund	3,600,821	10,752,000	20,000,000
Total expenditures	<u>3,604,836</u>	<u>10,756,014</u>	<u>20,004,130</u>
TRANSFERS OUT	<u>4,000</u>	<u>4,000</u>	<u>4,000</u>
Total expenditures and transfers out requiring appropriation	<u>3,608,836</u>	<u>10,760,014</u>	<u>20,008,130</u>
ENDING FUND BALANCES	<u>\$ 66,735,270</u>	<u>\$ 62,739,693</u>	<u>\$ 53,063,283</u>

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**CHERRY CREEK SOUTH METROPOLITAN DISTRICT NO. 5
PROPERTY TAX SUMMARY INFORMATION
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/30/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
ASSESSED VALUATION			
Agricultural	\$ 2,290	\$ 2,080	\$ 1,750
State assessed	-	-	100
Personal property	-	-	17,800
Certified Assessed Value	<u>\$ 2,290</u>	<u>\$ 2,080</u>	<u>\$ 19,650</u>
 MILL LEVY			
Debt Service	57.398	62.615	59.546
Contractual Obligation - Infrastructure Capital	5.034	5.492	5.223
Contractual Obligation - Town Capital and Maintenance	5.034	5.492	5.223
Total mill levy	<u>67.466</u>	<u>73.599</u>	<u>69.992</u>
 PROPERTY TAXES			
Debt Service	131	130	1,170
Contractual Obligation - Infrastructure Capital	11	12	103
Contractual Obligation - Town Capital and Maintenance	12	11	102
Budgeted property taxes	<u>\$ 154</u>	<u>\$ 153</u>	<u>\$ 1,375</u>
 BUDGETED PROPERTY TAXES			
Debt Service	131	130	1,170
Contractual Obligation - Infrastructure Capital	11	12	103
Contractual Obligation - Town Capital and Maintenance	12	11	102
Budgeted property taxes	<u>\$ 154</u>	<u>\$ 153</u>	<u>\$ 1,375</u>

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**CHERRY CREEK SOUTH METROPOLITAN DISTRICT NO. 5
GENERAL FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/30/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2 2024
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Total revenues	-	-	-
Total funds available	-	-	-
EXPENDITURES			
Total expenditures	-	-	-
Total expenditures and transfers out requiring appropriation	-	-	-
ENDING FUND BALANCES	\$ -	\$ -	\$ -

This financial information should be read only in connection with the accompanying accountant's
compilation report and summary of significant assumptions.

**CHERRY CREEK SOUTH METROPOLITAN DISTRICT NO. 5
DEBT SERVICE FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/30/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ 258	\$ 681
REVENUES			
Property taxes	131	130	1,170
Property taxes - Infrastructure Capital	11	12	103
Property taxes - Town Capital and Maintenance	12	11	102
Specific ownership taxes	11	12	105
Specific ownership taxes - Infrastructure Capital	1	1	9
Specific ownership taxes - Town Capital and Maintenance	1	1	9
Interest income	2	-	-
Transfers from CCSMD No. 6	104	270	1,222
Total revenues	273	437	2,720
TRANSFERS IN			
Transfers from other funds	4,000	4,000	4,000
Total funds available	4,273	4,695	7,401
EXPENDITURES			
General and administrative			
County Treasurer's fee	2	2	21
Paying agent fees	4,000	4,000	4,000
Transfers to Town of Parker	13	12	109
Total expenditures	4,015	4,014	4,130
Total expenditures and transfers out requiring appropriation	4,015	4,014	4,130
ENDING FUND BALANCES	\$ 258	\$ 681	\$ 3,271

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**CHERRY CREEK SOUTH METROPOLITAN DISTRICT NO. 5
CAPITAL PROJECTS FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/30/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 65,745,643	\$ 66,735,012	\$ 62,739,012
REVENUES			
Interest income	1,078,732	1,060,000	325,000
Developer advance	3,515,458	5,700,000	10,000,000
Total revenues	<u>4,594,190</u>	<u>6,760,000</u>	<u>10,325,000</u>
Total funds available	<u>70,339,833</u>	<u>73,495,012</u>	<u>73,064,012</u>
EXPENDITURES			
Legal	19,772	-	-
Capital Projects			
Repay developer advance	-	5,002,000	10,000,000
Transfers to CCSMD No. 4	3,581,049	5,750,000	10,000,000
Total expenditures	<u>3,600,821</u>	<u>10,752,000</u>	<u>20,000,000</u>
TRANSFERS OUT			
Transfers to other fund	<u>4,000</u>	<u>4,000</u>	<u>4,000</u>
Total expenditures and transfers out requiring appropriation	<u>3,604,821</u>	<u>10,756,000</u>	<u>20,004,000</u>
ENDING FUND BALANCES	<u>\$ 66,735,012</u>	<u>\$ 62,739,012</u>	<u>\$ 53,060,012</u>

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**CHERRY CREEK SOUTH METROPOLITAN DISTRICT NO. 5
2024 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 impose ad valorem taxes of 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 issuing a total of \$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. 5
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (continued)

Property Taxes (continued)

For property tax collection year 2024, SB22-238 and SB23B-001 set the assessment rates and actual value reductions as follows:

Category	Rate		Category	Rate		Actual Value Reduction	Amount
Single-Family Residential	6.70%		Agricultural Land	26.40%		Single-Family Residential	\$55,000
Multi-Family Residential	6.70%		Renewable Energy Land	26.40%		Multi-Family Residential	\$55,000
Commercial	27.90%		Vacant Land	27.90%		Commercial	\$30,000
Industrial	27.90%		Personal Property	27.90%		Industrial	\$30,000
Lodging	27.90%		State Assessed	27.90%		Lodging	\$30,000
			Oil & Gas Production	87.50%			

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.

Interest Income

Interest earned on the District's available funds has been estimated on an average interest rate of approximately 4.0%.

Expenditures

Transfers to Town of Parker

On May 18, 2020, the District entered into an intergovernmental agreement with the Town of Parker to impose a property tax mill levy of 5.000 mills, as adjusted, for the planning, design, construction and/or maintenance of the Town infrastructure. The District is required to remit the revenues to the Town of Parker.

**CHERRY CREEK SOUTH METROPOLITAN DISTRICT NO. 5
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures (continued)

Transfers to Cherry Creek South Metropolitan District No. 4

Pursuant to the Infrastructure Acquisition and Project Fund Disbursement Agreement between the District, Cherry Creek South Metropolitan District No. 4 (“District No. 4”) and Cherry Creek South Metropolitan District No. 6 (“District No. 6”), the Districts have agreed that District No. 4 will own, operate and maintain all public improvements benefitting all Districts. The costs of the public improvements anticipated to be paid by the District in 2024 are transferred to District No. 4.

County Treasurer’s Fees

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

Capital Expenditures

Estimated capital expenditures for public improvements are transferred to District No. 4.

Debts and Leases

On November 23, 2021, the District issued Limited Tax General Obligation Bonds, Series 2021⁽³⁾ in the par amount of \$68,549,000 (“the Bonds”). Proceeds from the sale of the Bonds will be used to finance or reimburse the costs of public improvements related to a residential development in the Town and to pay costs of issuance of the Bonds.

The Bonds bear interest at the rate of 6.000% per annum and are payable annually on December 1, beginning on December 1, 2022, but only to the extent of available Pledged Revenue. The Bonds mature on December 1, 2051 and are subject to mandatory redemption to the extent of available Pledged Revenue.

The Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest prior to the maturity date. Unpaid interest on the Bonds compounds annually on each December 1. In the event any amounts due and owing on the Bonds remain outstanding on December 1, 2061 after the application of all Pledged Revenue available therefor, such amounts shall be extinguished and no longer due and outstanding.

The District has no operating or capital leases.

Reserve Funds

The District has not provided for an emergency reserve equal to at least 3% of the fiscal year spending, as defined under TABOR, because the District has no operating budget. District No. 4 (Operating District) provides for such reserve.

This information is an integral part of the accompanying budget.