

CERTIFIED RECORD
OF
PROCEEDINGS RELATING TO
SUBDISTRICT NO. 1 OF THE COALTON METROPOLITAN DISTRICT
BOULDER COUNTY, COLORADO
AND THE BUDGET HEARING
FOR FISCAL YEAR
2022

STATE OF COLORADO)
COUNTY OF BOULDER)
)ss.
SUBDISTRICT NO. 1 OF)
THE COALTON)
METROPOLITAN DISTRICT)

The Board of Directors of the Subdistrict No.1 of the Coalton Metropolitan District, Boulder County, Colorado, held a regular meeting via teleconference on December 02, 2021 at 2:30 pm.

The following members of the Board of Directors were present:

Kristopher Barnes, President
Gary Rohr, Secretary/Treasurer
James O'Malley, Assistant Secretary
Karen Bennett, Assistant Secretary

Also in attendance were Jack Rohr, Resolute; Alan Pogue, Icenogle Seaver Pogue, P.C.; Tracie Kaminski and Brendan Campbell, Pinnacle Consulting Group, Inc.; Angela Elliot and Cathy Baldwin, Teleos Management Services; Scott Chomiak, KUH.

Ms. Elliot stated that proper publication was made to allow the Board to conduct a public hearing on the District's 2022 budget. Director Barnes opened the public hearing on the District's proposed 2022 budget. There being no public comment on the District's budget, the public hearing was closed.

Thereupon, Director Rohr introduced and moved the adoption of the following Resolution:

RESOLUTION

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES, ADOPTING A BUDGET, SETTING FORTH MILL LEVIES, AND APPROPRIATING SUMS OF MONEY TO THE GENERAL FUND IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE SUBDISTRICT NO.1 OF THE COALTON METROPOLITAN DISTRICT, BOULDER COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2022, AND ENDING ON THE LAST DAY OF DECEMBER 2022,

WHEREAS, the Board of Directors of the Subdistrict No. 1 of the Coalton Metropolitan District has authorized its consultants 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 of Directors of the District for its consideration; and

WHEREAS, upon due and proper notice, published on November 29, 2021, in the Daily Camera, a newspaper having general circulation within the boundaries of the District, pursuant to statute, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on December 02, 2021, and interested electors were given the opportunity to file or register any objections to said proposed budget; 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 SUBDISTRICT NO. 1 OF THE COALTON METROPOLITAN DISTRICT OF BOULDER COUNTY, COLORADO:

Section 1. 2022 Budget Revenues. That the estimated revenues for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 2. 2022 Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 3. Adoption of Budget for 2022. That the budget as submitted and attached hereto and incorporated herein by this reference, and if amended, then as amended, is hereby approved and adopted as the budget of the Coalton Metropolitan District for calendar year 2022.

Section 4. 2022 Levy of General Property Taxes. That the foregoing budget indicated that the amount of money necessary to balance the 2022 budget for the General Fund from property taxes for operating expenses is \$22,885. That the 2021 valuation for assessment, as certified by the Boulder County Assessor, is \$1,204,483.

A. Levy for General Fund. That for the purposes of meeting all general operating expense of the District during the 2022 budget year, there is hereby levied a tax of 19.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2022.

Section 5. Property Tax and Fiscal Year Spending Limits. That, being fully informed, the Board finds that the foregoing budget and mill levies do not result in a violation of any applicable property tax or fiscal year spending limitation.

Section 6. Certification. The District's accountant is hereby authorized and directed to immediately certify to the County Commissioners of Boulder County, Colorado, 19.000 mill levy for the Districts hereinabove determined and set. That said certification shall be in substantially the following form:

[Remainder of page left blank intentionally]

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Boulder County, Colorado.

On behalf of the Subdistrict No. 1 of the Coalton Metropolitan District,
(taxing entity)^A

the Board of Directors,
(governing body)^B

of the Subdistrict No. 1 of the Coalton Metropolitan District,
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 1,204,483 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 1,204,483 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)

Submitted: 12/14/2021 for budget/fiscal year 2022
(not later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	<u>19.000</u> mills	\$ <u>22,885.18</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	<u>19.000</u> mills	<u>\$ 22,885.18</u>
3. General Obligation Bonds and Interest ^J	_____ mills	\$ _____
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	<u>19.000</u> mills	<u>\$ 22,885.18</u>

Contact person: (print) Brendan Campbell Daytime phone: (970) 669-3611
Signed:  Title: District Accountant

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 866-2156.

¹ If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's final certification of valuation).

CERTIFICATION OF TAX LEVIES, continued

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.). Taxing entities that are Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS^J:

1. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

2. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

CONTRACTS^K:

3. Purpose of Contract: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

4. Purpose of Contract: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

CERTIFICATION OF TAX LEVIES

Section 7. 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.

The foregoing Resolution was seconded by Director Bennett.

[Remainder of page left blank intentionally]

ADOPTED AND APPROVED this 2nd day of December, 2021.

DocuSigned by:
Kris Barnes
5840636E4E1A4CF...

President

ATTEST:

DocuSigned by:
[Signature]
E08B93C6A0A84C3...

Secretary/Treasurer

STATE OF COLORADO)
COUNTY OF BOULDER)
)ss.
SUBDISTRICT NO. 1 OF)
THE COALTON)
METROPOLITAN DISTRICT)

I, Gary Rohr, Secretary/Treasurer to the Board of Directors of the Subdistrict No. 1 of the Coalton Metropolitan District, Boulder County, Colorado, do hereby certify that the foregoing pages numbered 1 to 9, inclusive, constitute 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 held at via teleconference on December 02, 2021, at 2:30 p.m., as recorded in the official record of the proceedings of the District, insofar as said proceedings relate to the budget hearing for fiscal year 2022; 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. Further, I hereby certify that the attached budget is a true and accurate copy of the 2022 budget of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the official seal of the District this 2nd day of December, 2021.

DocuSigned by:

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Management Budget Report

BOARD OF DIRECTORS
SUBDISTRICT NO. 1 OF THE COALTON METROPOLITAN DISTRICT

We have presented the accompanying forecasted budget of revenues, expenditures and fund balances for the year ending December 31, 2022, including the comparative information of the forecasted estimate for the year ending December 31, 2021 and the actual historic information for the year 2020.

These financial statements are designed for management purposes and are intended for those who are knowledgeable about these matters. We have not audited, reviewed or compiled the accompanying forecast and, accordingly, do not express an opinion or provide any assurance about whether the forecast is in accordance with accounting principles generally accepted in the United States of America. Substantially all the disclosures required by accounting principles generally accepted in the United States of America have been omitted. If the omitted disclosures were included in the forecast, they might influence the user's conclusions about the results of operations for the forecasted periods.

A handwritten signature in blue ink, appearing to be "J. H. [unclear]", is written over a horizontal line.

Pinnacle Consulting Group, Inc.
January 27, 2022

SUBDISTRICT OF THE COALTON METROPOLITAN DISTRICT NO.1				
STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS				
December 31, 2020 Actual, 2021 Amended Budget and Projected Actual				
2022 Adopted Budget				
Modified Accrual Budgetary Basis				
GENERAL FUND	2020	2021	2021	2022
	Unaudited	Amended	Projected	Adopted
Revenues	Actual	Budget	Actual	Budget
Operating Advances	\$ -	\$ 21,936	\$ 21,936	\$ 40,380
Property Taxes	-	-	-	22,885
Specific Ownership Taxes	-	-	-	1,144
O&M Fee	-	-	-	7,383
Facilities O&M Fee	-	-	-	13,600
Sub-district Reimbursement	-	-	-	-
Total Revenues	\$ -	\$ 21,936	\$ 21,936	\$ 85,392
Expenditures				
Accounting	\$ -	\$ -	\$ -	\$ 5,720
Fee Billings	-	-	-	1,000
District Management	-	2,000	2,000	4,800
Legal	-	10,000	10,000	7,500
Landscape Maintenance	-	-	-	26,695
Hardscape Maintenance	-	-	-	20,000
Utilities - Townhomes	-	-	-	10,634
Utilities - District	-	-	-	3,200
Utility Locating	-	-	-	500
Repairs and Replacements	-	-	-	2,000
Insurance	-	-	-	3,000
Transfer to Main District	-	4,936	4,936	-
Treasurer Fees	-	-	-	343
Contingency	-	5,000	5,000	-
Total Expenditures	\$ -	\$ 21,936	\$ 21,936	\$ 85,392
Revenues over/(under) Expenditures	\$ -	\$ -	\$ -	\$ -
Beginning Fund Balance	-	-	-	-
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -

SUBDISTRICT NO. 1 OF THE COALTON METROPOLITAN DISTRICT

2022 BUDGET MESSAGE

Subdistrict No. 1 of the Coalton Metropolitan District is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act. The Subdistrict was formed in August 2020. This Subdistrict was organized to serve the needs of a new development known as Coalton.

The District has no employees at this time and all operations and administrative functions are contracted.

The budget is prepared on the modified accrual basis of accounting, which is consistent with the basis of accounting used in presenting the Subdistrict's financial statements.

Overview

Highlights of the 2022 budget include the following:

- The Subdistrict is partially funded through operating contributions and will assess 50 mills for property tax collections.

General Fund

Revenue

The Subdistrict has budgeted revenues in the amount of \$85,392, comprised of \$22,885 for property tax, \$1,144 specific ownership tax, and operating advances of \$40,380 for 2022. The Subdistrict will also assess O&M fees and Facility O&M fees generating \$7,383 and \$13,600, respectively.

Expenses

The Subdistrict's General Fund expenditures consist of administrative and operations costs of \$85,392. The largest expenditures in the 2022 budget are \$26,695 for landscape maintenance, \$20,000 for hardscape maintenance, and \$10,634 for townhome utilities.

Fund Balance/Reserves

The fund balance of the Subdistrict's General Fund is budgeted at \$0 as the main District holds all TABOR reserves.

CERTIFICATION OF VALUATION BY BOULDER COUNTY ASSESSOR

New Tax Entity [] YES [X] NO

Date: November 22, 2021

NAME OF TAX ENTITY: SUBDISTRICT NO. 1 OF THE COALTON METROPC

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATIONS (5.5% LIMIT) ONLY

IN ACCORDANCE WITH 39-5-121(2)(a) and 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR :

Table with 11 rows of valuation items and their corresponding dollar amounts, including 'PREVIOUS YEAR'S NET TOTAL ASSESSED VALUATION' and 'CURRENT YEAR'S GROSS TOTAL ASSESSED VALUATION'.

- † This value reflects personal property exemption IF enacted by the jurisdiction as authorized by Art . X, Sec. 20(8)(b), Colo. Constitution
* New Construction is defined as: Taxable real property structures and personal property connected with the structure .
≈ Jurisdiction must submit to the Division of Local Government respective Certifications of Impact in order for the values to be treated as growth in the limit calculation; use forms DLG52 & 52A.
Ⓢ Jurisdiction must apply to the Division of Local Government before the value can be treated as growth in the limit calculation; use Form (DLG 52B).

USE FOR TABOR "LOCAL GROWTH" CALCULATION ONLY

IN ACCORDANCE WITH ART. X, SEC.20, COLO.CONSTITUTION AND 39-5-121(2)(b), C.R.S., THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR :

Table with 7 rows of actual valuation items and their corresponding dollar amounts, including 'CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY' and 'CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS'.

DELETIONS FROM TAXABLE REAL PROPERTY

Table with 4 rows of deletion items and their corresponding dollar amounts, including 'DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS' and 'DISCONNECTIONS/EXCLUSIONS'.

- ¶ This includes the actual value of all taxable real property plus the actual value of religious, private schools, and charitable real property.
* Construction is defined as newly constructed taxable real property structures.
§ Includes production from a new mines and increase in production of existing producing mines.

IN ACCORDANCE WITH 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS:

TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY \$ \$0

IN ACCORDANCE WITH 39-5-128(1.5), C.R.S., THE ASSESSOR PROVIDES:

HB21-1312 VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): ** \$ \$29,174

** The tax revenue lost to this exempted value will be reimbursed to the tax entity by the County Treasurer in accordance with 39-3-119.5(3), C.R.S.