

STATE OF COLORADO  
COUNTY OF ADAMS  
CUTLER FARMS METROPOLITAN DISTRICT  
2023 BUDGET RESOLUTION

The Board of Directors (the “Board”) of Cutler Farms Metropolitan District, Adams County, Colorado, held a special meeting on Tuesday, the 8th day of November, 2022 at 1:30 p.m. via Zoom.

The following members of the Board of Directors were present:

Dan Cutler, President  
Mark D. Campbell, Vice President  
Virginia Duncan, Secretary  
Dale Cutler, Director  
Jackson Givens, Director

Also present: Deborah A. Early, Esq., Icenogle Seaver Pogue, P.C.; Eli Henrie, Southwestern Property Corp., Inc.

The President reported that, prior to the meeting, notification was provided to each of the Directors of the date, time, and place of the meeting and the purpose for which it was called. It was further reported that the meeting is a special meeting of the Board and that a Notice of Special Meeting was posted in one place within the boundaries of the District and at the Adams County Clerk and Recorder’s Office in Adams County, Colorado, and to the best of his knowledge remained posted to the date of this meeting.

At the Board’s special meeting held on November 8, 2022, the Secretary stated that proper publication was made to allow the Board to conduct a public hearing on the District’s 2023 budget. The Secretary opened the public hearing on the District’s proposed 2023 budget for public comment, if any, and then the public hearing was closed. Upon discussion of the District’s proposed 2023 budget by members of the Board, Director Campbell moved that the Board adopt the following Resolution:

**RESOLUTION**

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET, APPROPRIATING SUMS OF MONEY TO EACH FUND IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN, AND LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2023 TO HELP DEFRAY THE COSTS OF GOVERNMENT, FOR CUTLER FARMS METROPLITAN DISTRICT, ADAMS COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE 1ST DAY OF JANUARY, 2023, AND ENDING ON THE LAST DAY OF DECEMBER, 2023.

WHEREAS, the Board of Directors (the “Board”) of Cutler Farms Metropolitan District (the “District”) has authorized its staff 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 for its consideration; and

WHEREAS, due and proper notice was published on Thursday, November 3, 2023 in *The Commerce City Sentinel Express*, indicating (i) the date and time of the hearing at which the adoption of the proposed budget will be considered; (ii) that the proposed budget is available for inspection by the public at a designated place; and (iii) that any interested elector of the District may file any objections to the proposed budget at any time prior to the final adoption of the budget by the District; and

WHEREAS, a public hearing on the proposed budget was opened on Tuesday, November 8, 2022, at which time any objections of the electors of the District were considered; 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 CUTLER FARMS METROPOLITAN DISTRICT OF ADAMS COUNTY, COLORADO:

Section 1. Summary of 2023 Revenues and 2023 Expenditures. That the estimated revenues and expenditures for each fund for fiscal year 2023, as more specifically set forth in the budget attached hereto, are accepted and approved.

Section 2. Adoption of Budget. That the budget attached hereto as Exhibit A and incorporated herein by this reference is approved and adopted as the budget of Cutler Farms Metropolitan 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.

Section 3. 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 4. Budget Certification. That the budget shall be certified by Director Duncan, Secretary of the District, and made a part of the public records of the District, and a certified copy of the approved and adopted budget shall be filed with the Colorado Department of Local Affairs Division of Local Government.

Section 5. 2023 Levy of General Property Taxes. That the foregoing budget indicates that the amount of property taxes necessary to be collected from property located within the District's boundaries in Adams County for the General Fund representing general operating expenses of the District is \$6,815, and that the 2022 valuation for assessment, as certified by the Adams County Assessor, is \$151,450. That for the purposes 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 for the year 2023.

Section 6. Certification to County Commissioners. That General Counsel is hereby authorized and directed to certify to the County Commissioners of Adams County, the mill levies for the District hereinabove determined and set. That said certification shall be in substantially the following form:



**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<sup>J</sup>:**

- 1. Purpose of Issue: \_\_\_\_\_  
 Title: \_\_\_\_\_  
 Date of Issue: \_\_\_\_\_  
 Principal Amount: \_\_\_\_\_  
 Maturity Date: \_\_\_\_\_  
 Levy: \_\_\_\_\_  
 Revenue: \_\_\_\_\_
  
- 2. Purpose of Issue: \_\_\_\_\_  
 Title: \_\_\_\_\_  
 Date of Issue: \_\_\_\_\_  
 Coupon Rate: \_\_\_\_\_  
 Maturity Date: \_\_\_\_\_  
 Levy: \_\_\_\_\_  
 Revenue: \_\_\_\_\_

**CONTRACTS<sup>K</sup>:**

- 1. Purpose of Issue: \_\_\_\_\_  
 Title: \_\_\_\_\_  
 Date of Issue: \_\_\_\_\_  
 Principal Amount: \_\_\_\_\_  
 Maturity Date: \_\_\_\_\_  
 Levy: \_\_\_\_\_  
 Revenue: \_\_\_\_\_
  
- 2. Purpose of Issue: \_\_\_\_\_  
 Title: \_\_\_\_\_  
 Date of Issue: \_\_\_\_\_  
 Coupon Rate: \_\_\_\_\_  
 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.

The foregoing Resolution was seconded by Director Dale Cutler.

ADOPTED AND APPROVED THIS 8TH DAY OF NOVEMBER, 2022.

**CUTLER FARMS METROPOLITAN DISTRICT**

DocuSigned by:  
*Dan Cutler*  
C96353F9E08D4CA

By:     **Dan Cutler**      
Its:     **President**

STATE OF COLORADO  
COUNTY OF ADAMS  
CUTLER FARMS METROPOLITAN DISTRICT

I, Virginia Duncan, hereby certify that I am a Director and the duly elected and qualified Secretary of Cutler Farms Metropolitan District, and that the foregoing constitutes a true and correct copy of the record of proceedings of the Board of Directors of said District, heard at a special meeting of the Board of Directors of Cutler Farms Metropolitan held on Tuesday, the 8th day of November, 2022 at 1:30 p.m. via Zoom. This meeting was held via Zoom, as recorded in the official record of the proceedings of the District, insofar as said proceedings relate to the budget hearing for fiscal year 2023; 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 and affixed the official seal of the District this 8th day of November, 2022.



  
By: Virginia Duncan  
Its: Secretary

**EXHIBIT A**  
**Budget Message**  
**Budget Document**



**CUTLER FARMS METROPOLITAN DISTRICT  
FORECASTED BUDGET**

**December 31, 2023**



**SOUTHWESTERN PROPERTY CORP.**

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**Accountant's Report**

**Board of Directors  
Cutler Farms Metropolitan District  
Adams County, Colorado**

We have compiled the accompanying forecasted budget of revenue, expenditures and fund balance of the Cutler Farms Metropolitan District for the general fund for the year ending December 31, 2023, including the forecasted estimate of comparative information for the year ending December 31, 2022, in accordance with attestation standards established by the American Institute of Certified Public Accountants.

A compilation of forecasted statements is limited to presenting in the form of forecast information that is the representation of management and does not include evaluation of the support for the assumptions underlying the forecast. We have not examined the forecast and, accordingly, do not express an opinion or any other form of assurance on the accompanying budget of revenue, expenditures and fund balances or assumptions. Furthermore, there will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected and those differences may be material. We have no responsibility to update this report for events or circumstances occurring after the date of this report.

The actual historical information for the year 2021 is presented for comparative purposes only. Such information is taken from the Application for Exemption from Audit prepared for the year ended December 31, 2021.

Management is responsible for the preparation and fair presentation of the historical financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of the compilation is to assist the management in presenting financial information in the form of historical financial statements without undertaking to obtain or provide any assurance that there were no material modifications that should be made to the historical financial statements.

Management has elected to omit the summary of significant accounting policies required by the guidelines for presentation of a forecast established by the American Institute of Certified Public Accountants. If the omitted disclosures were included in the forecast, they might influence the user's conclusions about the District's results for the forecasted period. Accordingly, this forecast was not designed for those who are not informed about such matters.

We are not independent with respect to Cutler Farms Metropolitan District.

*E. P. Henning CPA*

Southwestern Property Corp.  
November 30, 2022

**CUTLER FARMS METROPOLITAN DISTRICT  
PROPERTY TAX SUMMARY INFORMATION  
FOR THE YEAR ENDED AND ENDING Dec 31, 2021 AND 2022**

	ACTUAL 2021	ESTIMATED 2022	PROPOSED 2023
<b>ASSESSED VALUATION - ADAMS COUNTY</b>			
Residential	\$ -	\$ -	\$ -
Commercial and other	-	-	-
State assessed	10,760	10,760	10,760
Vacant land	137,980	132,080	140,690
Agricultural	-	-	-
	<u>148,740</u>	<u>142,840</u>	<u>151,450</u>
<b>Adjustments</b>			
Certified Assessed Value	<u>\$ 148,740</u>	<u>\$ 142,840</u>	<u>\$ 151,450</u>
<b>MILL LEVY</b>			
General	45.000	45.000	45.000
Debt Service	-	-	-
Temporary Mill Levy Reduction (pursuant to C.R.S.39-5-121)	-	-	-
Refund and abatements	-	-	-
Total mill levy	<u>45.000</u>	<u>45.000</u>	<u>45.000</u>
<b>PROPERTY TAXES</b>			
General	\$ 6,693	\$ 6,428	\$ 6,815
Debt Service	-	-	-
Temporary Mill Levy Reduction	-	-	-
Refund and abatements	-	-	-
Levied property taxes	<u>6,693</u>	<u>6,428</u>	<u>6,815</u>
Adjustment to actual/rounding	-	-	-
Property taxes	<u>\$ 6,693</u>	<u>\$ 6,428</u>	<u>\$ 6,815</u>
<b>BUDGETED PROPERTY TAXES</b>			
General	\$ 6,693	\$ 6,428	\$ 6,815
Debt Service	-	-	-
	<u>\$ 6,693</u>	<u>\$ 6,428</u>	<u>\$ 6,815</u>

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

**CUTLER FARMS METROPOLITAN DISTRICT  
GENERAL FUND  
FORECASTED 2023 BUDGET AS PROJECTED  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
FOR THE YEARS ENDED AND ENDING DECEMBER 31**

	ACTUAL 2021	ESTIMATED 2022	PROPOSED 2023
<b>BEGINNING FUND BALANCES</b>	\$ 7,175	\$ (458)	\$ 246
<b>REVENUE</b>			
Property taxes	6,637	6,693	6,815
Specific ownership taxes	1,140	600	450
Investment income	275	30	30
Note proceeds	-	-	-
Developer Advance/Contribution	-	10,000	13,000
Total revenue	<u>8,052</u>	<u>17,323</u>	<u>20,295</u>
<b>TRANSFERS IN</b>	-	-	-
Total revenue and transfers in	<u>8,052</u>	<u>17,323</u>	<u>20,295</u>
Total funds available	<u>15,227</u>	<u>16,865</u>	<u>20,541</u>
<b>EXPENDITURES</b>			
Accounting	6,940	7,000	7,000
Dues and memberships	338	338	360
County Treasurer's fees	104	100	100
Director fees	-	300	300
Election costs	-	-	-
Insurance and bonds	2,020	2,781	2,900
Legal	6,271	6,000	7,000
Website	-	-	600
Engineering	-	-	-
Repayment of Developer Advance	-	-	-
Interest on Developer Advance	-	-	-
Miscellaneous	12	100	100
Contingency	-	-	1,640
Total expenditures	<u>15,685</u>	<u>16,619</u>	<u>20,000</u>
<b>TRANSFERS OUT</b>			
Capital Projects Fund	-	-	-
Debt Service Fund	-	-	-
Total transfers out	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>15,685</u>	<u>16,619</u>	<u>20,000</u>
<b>ENDING FUND BALANCES</b>	\$ (458)	\$ 246	\$ 541
<b>EMERGENCY RESERVE</b>	\$ 400	\$ 500	\$ 600

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

**Cutler Farms Metropolitan District**  
**2023 Budget**  
**SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**SERVICES PROVIDED**

The District was organized by Order and Decree of the District Court of Adams County, Colorado on November 10, 2004. to provide financing for design, acquisition, construction and installation of essential public-purpose facilities such as water, streets, traffic and safety controls, parks, open space and recreation, sewer and drainage facilities, public transportation, mosquito control, and television relay and translation equipment, and the operation and maintenance of the District. The District's service area is located entirely within the boundaries of Commerce City in Adams County, Colorado.

The District prepares its budget on the modified accrual basis of accounting.

The budget is in accordance with the TABOR Amendment limitations, which were modified by the voters in an election held on November 2, 2004. The election approved general obligation of \$14,646,188 for the listed improvements, \$14,646,188 for refunding District debt and \$100,000 for general operation and maintenance. District voters approved authorization to increase property tax up to \$70, 000 annually to pay for the operations and maintenance expenditures of the District. Additionally, the election allows the District to collect, spend and retain all revenues, other than as ad valorem taxes, without regard to the limitations contained in Article X, Section 20 of the Colorado constitution. On November 7, 2006, District voters approved authorization to increase property taxes \$1,000,000 annually to pay for the operation and maintenance expenditure of the District, again allowing the District to collect, spend retain all revenues, other than ad valorem taxes, without regard to the limitation contained in Article X, Section 20 of the Colorado constitution.

**REVENUE**

**Property Taxes**

The calculation of the taxes levied is displayed on page 2 of the Budget at a total mill levy if 45.000 mills for 2023.

**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.

**Cutler Farms Metropolitan District**  
**2023 Budget**  
**SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Interest**

Interest earned on the District's available funds has been estimated based on an average interest rate of 0.2%.

**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 the budget purposes with an obligation for the future repayment when the District is financially able to reimburse the Developer. In 2010, the District issued two notes payable to the Developer in exchange for the amounts previously advanced for organizational expenses (\$22,815) and operational expenses (\$104,445).

**Expenditures**

**Administrative and Operating Expenditures**

Administrative and operating expenditures include estimated services necessary to maintain the District's administrative viability such as legal, accounting, insurance, banking, and meeting costs.

**Debts and Leases**

The District has no other 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 for 2023 as defined under TABOR.

**This information is an integral part of the accompanying forecasted budget. See the accompanying accountant's report.**