

# COTTON RANCH METROPOLITAN DISTRICT

January 10, 2015

Division of Local Government  
1313 Sherman Street, Room 521  
Denver, CO 80203

RE: Cotton Ranch Metropolitan District 2015 Budget – LGID #19051

Attached is the 2015 Budget for the Cotton Ranch Metropolitan District in Eagle County, Colorado, submitted pursuant to Section 29-1-116, C.R.S. This Budget was adopted on November 11, 2014. If there are any questions on the budget, please contact Mr. Kenneth Marchetti, telephone number 970-926-6060.

The mill levy certified to the County Commissioners of Eagle County is 1.345 mills for all general operating purposes, subject to statutory and/or TABOR limitations; 47.000 mills for G.O. bonds; 0.000 mills for refund/abatement; and 0.000 mills for Temporary Tax Credit/Mill Levy Reduction. Based on an assessed valuation of \$6,898,380 the total property tax revenue is \$333,502.18. A copy of the certification of mill levies sent to the County Commissioners for Eagle County is enclosed.

I hereby certify that the enclosed is a true and accurate copy of the budget and certification of tax levies to the Board of County Commissioners of Eagle County, Colorado.

Sincerely,



Kenneth J. Marchetti  
District Administrator

Enclosure(s)

## **COTTON RANCH METROPOLITAN DISTRICT**

### **2015 BUDGET MESSAGE**

Cotton Ranch Metropolitan District is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act. The District was established to provide roads, drainage, landscaping, water, sewer, and recreation facilities in the service area located in Eagle County, Colorado. The District issued bonds to pay for the initial installation of the main infrastructure like roads, water distribution and sewer collection systems but those systems have been turned over to the Town of Gypsum and the Town operates those systems. The District continues to operate a raw irrigation water distribution system.

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

### **2015 BUDGET STRATEGY**

The primary source of revenue for the District is property taxes which are primarily used to cover the District's debt service payments but are also used to cover a portion of the District's overhead. In addition to property taxes, the District collects user fees which cover the cost of operating the raw irrigation water system including the associated overhead. The operating mill levy is 1.345 mills and the debt service mill levy rate is 47.000 mills.

A reserve for emergencies has been provided for in the General Fund in accordance with the TABOR amendment. Any remaining General Fund balance is considered to be reserved for future operations. The Debt Service Fund balance is reserved for future payment of general obligation principal, interest, and related costs. The Water Utility Fund balance is reserved for future operations and replacements.

**RESOLUTIONS OF COTTON RANCH METROPOLITAN DISTRICT**

**TO ADOPT 2015 BUDGET**

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET FOR THE COTTON RANCH METROPOLITAN DISTRICT, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2015 AND ENDING ON THE LAST DAY OF DECEMBER 2015.

WHEREAS, the Board of Directors of the Cotton Ranch Metropolitan District has appointed a budget committee to prepare and submit a proposed 2015 budget at the proper time; and

WHEREAS, such committee has submitted a proposed budget to this governing body at the proper time, for its consideration, and;

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, and a public hearing was held on November 11, 2014, and interested taxpayers 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 or planned to be expended from reserves/fund balances so that the budget remains in balance, as required by law.

NOW, THEREFORE, BE IT RESOLVED by the Board of directors of the Cotton Ranch Metropolitan District, Eagle County, Colorado:

- Section 1. That the budget as submitted, amended, and summarized by fund, hereby is approved and adopted as the budget of the Cotton Ranch Metropolitan District for the year stated above.
- Section 2. That the budget hereby approved and adopted shall be certified by any officer or the District Administrator of the District and made a part of the public records of the District.

(THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK)

**RESOLUTIONS OF COTTON RANCH METROPOLITAN DISTRICT (CONTINUED)**

**TO SET MILL LEVIES**

A RESOLUTION LEVYING PROPERTY TAXES FOR THE YEAR 2015, TO HELP DEFRAID THE COSTS OF GOVERNMENT FOR THE COTTON RANCH METROPOLITAN DISTRICT, EAGLE COUNTY, COLORADO, FOR THE 2015 BUDGET YEAR.

WHEREAS, the Board of Directors of the Cotton Ranch Metropolitan District, has adopted the annual budget in accordance with the Local Government Budget Law, on November 11, 2014, and;

WHEREAS, the amount of money necessary to balance the budget for general operating expenses and capital expenditure purposes from property tax revenue is \$9,278.32 and;

WHEREAS, the Cotton Ranch Metropolitan District finds that it is required to temporarily lower the general operating mill levy to render a refund for \$0.00, and;

WHEREAS, the amount of money necessary to balance the budget for capital expenditure purposes from property tax revenue approved by voters or at public hearing is \$0.00, and;

WHEREAS, the amount of money necessary to balance the budget for voter approved bonds and interest is \$324,223.86, and;

WHEREAS, the 2014 valuation for assessment for the Cotton Ranch Metropolitan District, as certified by the County Assessor is \$6,898,380.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the COTTON RANCH METROPOLITAN DISTRICT, EAGLE COUNTY, COLORADO:

- Section 1. That for the purposes of meeting all general operating expenses of the Cotton Ranch Metropolitan District during the 2015 budget year, there is hereby levied a tax of 1.345 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2014.
- Section 2. That for the purposes of rendering a refund to its constituents during budget year 2015 there is hereby levied a temporary tax credit/mill levy reduction of 0.00 mills.
- Section 3. That for the purpose of meeting all capital expenditures of the Cotton Ranch Metropolitan District during the 2015 budget year, there is hereby levied a tax of 0.00 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2014.

(THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK)

**RESOLUTIONS OF COTTON RANCH METROPOLITAN DISTRICT (CONTINUED)**

**TO SET MILL LEVIES (CONTINUED)**

Section 4. That for the purpose of meeting all payments for bonds and interest of the Cotton Ranch Metropolitan District during the 2015 budget year, there is hereby levied a tax of 47.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2014.

Section 5. That any officer or the District Administrator is hereby authorized and directed to either immediately certify to the County Commissioners of Eagle County, Colorado, the mill levies for the Cotton Ranch Metropolitan District as hereinabove determined and set, or be authorized and directed to certify to the County Commissioners of Eagle County, Colorado, the mill levies for the Cotton Ranch Metropolitan District as hereinabove determined and set based upon the final (December) certification of valuation from the county assessor.

(THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK)

**RESOLUTIONS OF COTTON RANCH METROPOLITAN DISTRICT (CONTINUED)**

**TO APPROPRIATE SUMS OF MONEY**  
(PURSUANT TO SECTION 29-1-108, C.R.S.)

A RESOLUTION APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS AND SPENDING AGENCIES, IN THE AMOUNT AND FOR THE PURPOSE AS SET FORTH BELOW, FOR THE COTTON RANCH METROPOLITAN DISTRICT, EAGLE COUNTY, COLORADO, FOR THE 2015 BUDGET YEAR.

WHEREAS, the Board of Directors has adopted the annual budget in accordance with the Local Government Budget Law, on November 11, 2014, and;

WHEREAS, the Board of Directors has made provision therein for revenues in an amount equal or greater to the total proposed expenditures as set forth in said budget, and;

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues and reserves or fund balances provided in the budget to and for the purposes described below, thereby establishing a limitation on expenditures for the operations of the District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COTTON RANCH METROPOLITAN DISTRICT, EAGLE COUNTY, COLORADO:

Section 1. That the following sums are hereby appropriated from the revenues of each fund, to each fund, for the purposes stated:

GENERAL FUND:

Current Operating Expenses	<u>\$9,256</u>
----------------------------	----------------

TOTAL GENERAL FUND:	\$9,256
---------------------	---------

DEBT SERVICE FUND:

Debt Service Expenditures	\$325,826
---------------------------	-----------

Transfers	<u>\$ 0</u>
-----------	-------------

TOTAL DEBT SERVICE FUND:	\$325,826
--------------------------	-----------

ENTERPRISE FUND:

Current Operating Expenses	<u>\$100,056</u>
----------------------------	------------------

TOTAL ENTERPRISE FUND:	\$100,056
------------------------	-----------

(THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK)

**RESOLUTIONS OF COTTON RANCH METROPOLITAN DISTRICT (CONTINUED)**

**TO ADOPT 2015 BUDGET, SET MILL LEVIES AND  
APPROPRIATE SUMS OF MONEY  
(CONTINUED)**

The above resolutions to adopt the 2015 budget, set the mill levies and to appropriate sums of money were adopted this 11th day of November, 2014.

Attest: 

Title: 



## Accountants' Compilation Report

Board of Directors  
Cotton Ranch Metropolitan District  
Edwards, Colorado

December 5, 2014

We have compiled the accompanying balance sheet of Cotton Ranch Metropolitan District as of September 30, 2014 and the related statement of revenues, expenditures and changes in fund balance with budgets for the nine month period then ended. We also compiled the accompanying budget and forecast of revenues, expenditures and changes in fund balance for the year ending December 31, 2014 and the adopted budget for calendar year 2015, in accordance with standards established by the American Institute of Certified Public Accountants.

We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

We serve in a dual role with the District, as a consulting financial manager and as an external accountant. Management (with our participation) is responsible for the preparation and fair presentation of the 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. We have prepared these financial statements in our capacity as a consulting financial manager for the District.

As an external accountant our responsibility includes conducting 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 a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management (with our participation) has elected to omit substantially all the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the District's financial position and results of operations. Accordingly, the financial statements are not designed for those who are not informed about such matters.

A compilation of a forecasted financial statement is limited to presenting in the form of a 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 accompanying forecast and, accordingly, do not express an opinion or any other form of assurance on the forecasted statement 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 calendar year 2013 is presented for comparative purposes only. Such information is taken from the financial statements for the District which have been audited by Chadwick, Steinkirchner, Davis & Co., PC and upon which they expressed an unqualified opinion in their report dated March 13, 2014.

We are not independent from and accounting and auditing perspective with respect to Cotton Ranch Metropolitan District because we perform certain accounting services that impair our independence.

*Marchetti & Weaver, LLC*

**Mountain Office**  
28 Second Street, Suite 213  
Edwards, CO 81632  
(970) 926-6060

**Website & Email**  
[www.mwcpaa.com](http://www.mwcpaa.com)  
[Admin@mwcpaa.com](mailto:Admin@mwcpaa.com)

**Front Range Office**  
357 S. McCaslin Blvd., Suite 200  
Louisville, CO 80027  
(303) 376-6292



**COTTON RANCH METROPOLITAN DISTRICT**  
**COMBINED BALANCE SHEET - STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2014**  
**PAGE 1**

**ASSETS**

	<u>General Fund</u>	<u>Debt Serv Fund</u>	<u>Utility Fund</u>	<u>Fixed Assets &amp; LT Debt</u>	<u>Totals</u>
<b>Current Assets:</b>					
Colorado Business Bank	18,581				18,581
US Bank Money Market	34,731				34,731
ColoTrust	336,736				336,736
UMB Bond Account	6,001				6,001
UMB Bond Stabilization Account	220,000				220,000
Investment in Pooled Cash	(535,410)	421,094	114,316		0
<b>Total Cash in Bank</b>	<b>80,638</b>	<b>421,094</b>	<b>114,316</b>	<b>0</b>	<b>616,048</b>
Due from County Treasurer	0	0			0
Property Tax Receivable	214	7,484			7,698
Tap Fee Receivable			3,600		3,600
Water Usage Fees Rec			15,914		15,914
Accounts Receivable - Misc	0		0		0
Accounts Receivable - Golf Course			9,697		9,697
Prepaid Insurance	0				0
<b>Total Current Assets</b>	<b>80,853</b>	<b>428,578</b>	<b>143,527</b>	<b>0</b>	<b>652,957</b>
<b>Fixed Assets:</b>					
Non-Potable Water System			381,492		381,492
Water Rights			314,035		314,035
Accumulated Depreciation on Fixed Assets			(144,707)	0	(144,707)
<b>Total Property &amp; Equipment</b>	<b>0</b>	<b>0</b>	<b>550,820</b>	<b>0</b>	<b>550,820</b>
<b>TOTAL ASSETS</b>	<b>80,853</b>	<b>428,578</b>	<b>694,347</b>	<b>0</b>	<b>1,203,778</b>

**LIABILITIES, DEFERRED INFLOWS & FUND BALANCE/NET POSITION**

	<u>General Fund</u>	<u>Debt Serv Fund</u>	<u>Utility Fund</u>	<u>Fixed Assets &amp; LT Debt</u>	<u>Totals</u>
<b>Liabilities:</b>					
Accounts Payable	19,489	0	0		19,489
Subordinate Bonds Payable - 2002A				2,485,000	2,485,000
GO Bonds Unpaid Interest - 2002A Bonds				1,618,596	1,618,596
GO Bonds Bonds Payable - 2010 Conversion of 2002A				1,000,000	1,000,000
Bonds Payable - 2006 Series				1,075,000	1,075,000
Accd Interest on 2002A Bonds				8,640	8,640
Accd Interest on 2006 Bonds				4,149	4,149
2013 Restructured Bonds				3,280,000	3,280,000
Accd Interest on 2013 Restructured Bonds				15,475	15,475
<b>Total Liabilities</b>	<b>19,489</b>	<b>0</b>	<b>0</b>	<b>9,486,860</b>	<b>9,506,349</b>
<b>Deferred Inflows:</b>					
Deferred Property Tax Rev	214	7,484			7,698
<b>Total Deferred Inflows</b>	<b>214</b>	<b>7,484</b>	<b>0</b>	<b>0</b>	<b>7,698</b>
<b>Fund Balance / Net Position</b>					
Investment in Assets			550,820	0	550,820
Net of Long Term Debt				(9,486,860)	(9,486,860)
Fund Balance	61,150	421,094	143,527	0	625,771
<b>Ending Net Assets</b>	<b>61,150</b>	<b>421,094</b>	<b>694,347</b>	<b>(9,486,860)</b>	<b>(8,310,269)</b>
<b>Total Liabilities, Deferred Inflows and Fund Balance/Net Position</b>	<b>80,853</b>	<b>428,578</b>	<b>694,347</b>	<b>0</b>	<b>1,203,778</b>

See accompanying accountant's report.

= = = = =

COTTON RANCH METROPOLITAN DISTRICT  
 Statement of Revenues, Expenditures and Changes in Fund Balance  
 Actual, Budget and Forecast for the F Printed:

Printed: 12/05/14

GENERAL FUND	12 Months Ended 12/31/13 Actual	Cal Yr 2014 Adopted Budget	Variance Favorable (Unfavor)	Cal Yr 2014 Forecast	9 Months Ended 9/30/14 Actual	9 Months Ended 9/30/14 Budget	Variance Favorable (Unfavor)	Cal Yr 2015 Adopted Budget	Budget Assumptions
Assessed Value	11,328,190	6,724,490		6,724,490			6,898,380		
	0%	-41%					3%		
Operating Mill Levy	1.345	1.345		1.345			1.345		
Debt Service Mill Levy	60.901	47.000		47.000			47.000		
Total Mill Levy	62.246	48.345		48.345			48.345		
<b>REVENUE</b>									
Property Taxes for General Operations	16,318	9,044	0	9,044	8,878	9,044	(166)	9,278	
Property Tax Abatements	(172)		(28)	(28)	(28)	0	(28)		
Specific Ownership (Auto) Taxes	627	398	199	597	316	265	50	408 4.4% of Prop Tax	
Interest Income	730	539	(224)	315	235	404	(170)	914	
Abatement Interest	(10)	0	(3)	(3)	(3)	0	(3)		
Conservation Trust Fund	3,255	3,000	0	3,000	2,260	2,250	10	3,250 Based on Prior Yr	
Other	0		15	15	13	0	13		
<b>TOTAL REVENUE</b>	<b>20,748</b>	<b>12,982</b>	<b>(41)</b>	<b>12,940</b>	<b>11,670</b>	<b>11,964</b>	<b>(294)</b>	<b>13,851</b>	
<b>EXPENDITURES</b>									
Accounting & Administration	31,162	30,000	10,000	20,000	14,445	22,500	8,056	24,000 Based on Prior Yr	
Audit	5,250	5,250	0	5,250	5,250	5,250	0	5,250 Based on Prior Yr	
Director Fees	2,400	2,000	1,000	1,000	675	2,000	1,325	2,000 Based on Prior Yr	
Election	0	1,500	1,050	450	450	1,500	1,050	0 Based on Prior Yrs	
Insurance	2,339	2,700	463	2,237	2,237	2,700	463	2,800 Based on Prior Yr	
Landscape Maintenance	4,214	3,000	3,000	0	0	3,000	3,000	0 Based on Prior Yr	
Legal-General	3,727	3,000	1,500	1,500	732	2,250	1,518	3,000 Based on Prior Yr	
Office Overhead	1,329	1,200	0	1,200	510	900	390	1,200 Based on Prior Yr	
Other Expenses	397	150	(330)	480	457	113	(345)	500 Based on Prior Yr	
Payroll Taxes	184	250	150	100	52	0	(52)	250 Based on Prior Yr	
Treasurer's fees	494	271	0	271	267	271	5	278 3% of Prop Tax	
Treasurer's Deed Purchase	0	0	(354)	354	354	0	(354)		
Contingency	0	7,000	7,000	0	0	0	0	7,000	
Overhead Allocated to Water Fund	(25,748)	(22,529)	(9,391)	(13,137)	(10,172)	(16,194)	(6,022)	(18,511) See Water Fund	
Overhead Allocated to Dt Svd Fund		(22,529)	(9,391)	(13,137)	(10,172)	(16,194)	(6,022)	(18,511)	
<b>TOTAL EXPENDITURES</b>	<b>25,748</b>	<b>11,264</b>	<b>4,696</b>	<b>6,569</b>	<b>5,086</b>	<b>8,097</b>	<b>3,011</b>	<b>9,256</b>	
<b>OP REV OVER (UNDER) EXPEND</b>	<b>(5,000)</b>	<b>1,717</b>	<b>4,655</b>	<b>6,372</b>	<b>6,584</b>	<b>3,867</b>	<b>2,717</b>	<b>4,595</b>	
<b>OTHER FINANCING SOURCES</b>									
Loan Proceeds (Repayment)	0		0		0	0	0		
Transfer in - Water Fund	0	0	0	0	0	0	0	0	
Transfer in(out) - Debt Service Fund	27,307	0	0	0	0	0	0	0	
<b>NET REV OVER (UNDER) EXPEND</b>	<b>22,306</b>	<b>1,717</b>	<b>4,655</b>	<b>6,372</b>	<b>6,584</b>	<b>3,867</b>	<b>2,717</b>	<b>4,595</b>	
Fund Balance-Beginning of Year	32,259	49,617	4,948	54,565	54,565	49,617	4,948	60,937	
<b>Fund Balance-End of Year</b>	<b>54,565</b>	<b>51,334</b>	<b>9,603</b>	<b>60,937</b>	<b>61,150</b>	<b>53,484</b>	<b>7,665</b>	<b>65,532</b>	
See Accompanying Accountant's Report	=	=	=	=	=	=	=	=	

**COTTON RANCH METROPOLITAN DISTRICT**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Actual, Budget and Forecast for the F Printed:**

Printed: 12/05/14

DEBT SERVICE FUND	12 Months Ended 12/31/13 Actual	Cal Yr 2014 Adopted Budget	Variance Favorable (Unfavor)	Cal Yr 2014 Forecast	9 Months Ended 9/30/14 Actual	9 Months Ended 9/30/14 Budget	Variance Favorable (Unfavor)	Cal Yr 2015 Adopted Budget	Budget Assumptions
<b>ASSESSED VALUE</b>									
Total Assessed Value	11,328,190	6,724,490		6,724,490	6,724,490		6,898,380		
Debt Service Mill Levy Rate	39.250	47.000		47.000	39.250		47.000		
Debt Service Property Taxes Levied		316,051		316,051			324,224		
<b>REVENUE</b>									
Property Taxes for Debt Service	738,875	316,051	0	316,051	310,252	316,051	(5,799)	324,224	Per Above
Property Tax Abatement	(7,789)		(968)	(968)	(968)	0	(968)		
Specific Ownership (Auto) Taxes	28,382	13,906	2,633	16,539	11,026	9,271	1,755	14,266	4.4% of Prop Tax
Interest Income	15,040	316	1,344	1,660	1,246	237	1,009	324	
Abatement Interest	(431)	0	(116)	(116)	(116)	0	(116)		
<b>TOTAL REVENUE</b>	<b>774,077</b>	<b>330,273</b>	<b>2,893</b>	<b>333,166</b>	<b>321,440</b>	<b>325,559</b>	<b>(4,118)</b>	<b>338,814</b>	
<b>EXPENDITURES</b>									
2006 Unrefunded Bonds Principal	80,000	0	0	0	0	0	0	0	
2006 Unrefunded Bonds Interest	200,400	49,788	0	49,788	24,894	24,894	0	49,788	
2010 Conversion Bonds Principal		0	0	0		0	0	0	
2010 Conversion Bonds Interest	59,500	59,500	0	59,500	0	0	0	59,500	
2013A Restructured Bonds Prin			0			0	0		
2013A Restructured Bonds Int		185,700	0	185,700	92,850	92,850	0	185,700	185,700
2013B Refunding Bonds Prin			0			0	0		
2013B Refunding Bonds Int			0			0	0		
\$500K Conversion Bonds Principal			0			0	0		
\$500K Conversion Bonds Interest			0			0	0		
\$500K Conversion Bonds Principal			0			0	0		
\$500K Conversion Bonds Interest			0			0	0		
\$500K Conversion Bonds Principal			0			0	0		
\$500K Conversion Bonds Interest			0			0	0		
\$500K Conversion Bonds Principal			0			0	0		
\$500K Conversion Bonds Interest			0			0	0		
Sub Bnds Unpd P&I w/ min 35 (Gal Adj)	0	0	0	0	0	0	0	0	
Subtotal	339,900	294,988	0	294,988	117,744	117,744	0	294,988	
Mill Levy to cover Unlimited Tax Bonds		47,000		47,000				47,000	
Mill Levy to bring D/S mill to 35 mills Gallagherized		0.000		0.000				0.000	
Allocated Overhead									
Paying Agent Fees	1,075	2,600	200	2,400	2,400	2,600	200	2,600	Based on Prior Yr
Treasurer's fees	22,383	9,482	0	9,482	9,316	9,482	166	9,727	3% of Prop Tax
Overhead Allocated from General Fnd		22,529	9,391	13,137	10,172	16,194	6,022	18,511	
<b>TOTAL EXPENDITURES</b>	<b>363,358</b>	<b>329,598</b>	<b>9,591</b>	<b>320,007</b>	<b>139,631</b>	<b>146,019</b>	<b>6,388</b>	<b>325,826</b>	
<b>OP REV OVER (UNDER) EXPEND</b>	<b>410,719</b>	<b>675</b>	<b>12,484</b>	<b>13,159</b>	<b>181,809</b>	<b>179,540</b>	<b>2,269</b>	<b>12,988</b>	
<b>OTHER FINANCING SOURCES</b>									
Bond Proceeds	0		0		0	0	0		
Bond Restructure	0		0		0	0	0		
Bond Cost of Issuance	(116,102)		0		0	0	0		
Transfer in from Water & Gen Fund	0		0		0	0	0	0	
Transfer Out to General Fund	(27,307)		0		0	0	0		
<b>NET REV OVER (UNDER) EXPEND</b>	<b>267,311</b>	<b>675</b>	<b>12,484</b>	<b>13,159</b>	<b>181,809</b>	<b>179,540</b>	<b>2,269</b>	<b>12,988</b>	
Fund Balance-Beginning of Year	(28,026)	228,538	10,747	239,285	239,285	228,538	10,747	252,444	
<b>Fund Balance-End of Year</b>	<b>239,285</b>	<b>229,213</b>	<b>23,231</b>	<b>252,444</b>	<b>421,094</b>	<b>408,078</b>	<b>13,016</b>	<b>265,432</b>	

See Accompanying Accountant's Report

COTTON RANCH METROPOLITAN DISTRICT  
 Statement of Revenues, Expenditures and Changes in Fund Balance  
 Actual, Budget and Forecast for the F Printed:

Printed: 12/05/14

WATER UTILITY FUND	12 Months Ended 12/31/13 Actual	Cal Yr 2014 Adopted Budget	Variance Favorable (Unfavor)	Cal Yr 2014 Forecast	9 Months Ended 9/30/14 Actual	9 Months Ended 9/30/14 Budget	Variance Favorable (Unfavor)	Cal Yr 2015 Adopted Budget	Budget Assumptions
Irrigation Customers - Valley	151	151		152				152	
Irrigation Customers - Sky Legend	64	64		69				69	
User Fee - Valley Floor	\$56	\$60		\$60				\$62	3% increase
User Fee - Sky Legend	\$28	\$30		\$30				\$31	3% increase
Tap Fee	\$2,400	\$2,500		\$2,500				\$2,600	4% Increase
<b>REVENUE</b>									
Water Base Charges - Valley Floor	49,751	53,305	0	53,305	45,602	44,421	1,181	56,544	Base Water Charges
Water Base Charges - Valley Rd Trees								5,580	
Water Overage Charges - Valley	13,050	14,143	0	14,143	11,877	14,143	(2,266)	14,143	Water Overage Charges
Water Base Charges - Sky Legend	12,023	10,411	0	10,411	4,609	3,600	1,009	10,723	Base Water Charges
Water Overage Charges - Sky Legend	2,701	2,984	(2,484)	500	311	2,238	(1,927)	2,984	Water Overage Charges
Broken Meter Fees	0	0	0	0	0	0	0	0	
Title Prep & Reconnect Fees	1,932	1,500	0	1,500	1,150	1,125	25	1,500	
Late Fees / Finance Charges	3,338	3,800	0	3,800	2,246	2,850	(604)	3,800	
Tap Fees - Valley Floor	4,800	2,400	7,300	9,700	9,700	2,400	7,300	5,200	150 Coyote
Tap Fees - Sky Legend	9,600	9,600	(4,800)	4,800	4,800	9,600	(4,800)	7,800	357, 387 & 1316 Legend
Tap Fees - Village								20,800	16? Units (Need enough to cover costs)
Interest Income	44	200	(200)	0	0	0	0		Prior Yr
Other Income	920	0	613	613	613	0	613	0	
<b>TOTAL REVENUE</b>	<b>98,158</b>	<b>98,343</b>	<b>429</b>	<b>98,772</b>	<b>80,908</b>	<b>80,376</b>	<b>531</b>	<b>129,074</b>	
<b>EXPENDITURES</b>									
Legal & Engineering - Water	3,696	3,000	0	3,000	1,339	2,250	911	3,000	Mgt Est
Valley Floor Valves Materials	608	600	0	600	288	600	312	600	
Valley Floor Pumps Materials	595	500	500	0	0	500	500	500	
Valley Floor Lines Materials	623	600	0	600	600	600	(0)	600	
Valley Floor Other Materials	413	400	385	15	15	400	385	400	
Valley Floor Valves Labor	1,178	1,000	200	800	798	1,000	202	1,000	
Valley Floor Pumps Labor	3,208	3,000	3,000	0	0	3,000	3,000	3,000	
Valley Floor Lines Labor	2,508	2,600	2,100	500	456	2,600	2,144	2,600	
Valley Floor Other Labor	760	1,200	1,200	0	0	1,200	1,200	1,200	
Sky Legends Valves Materials	90	300	(400)	700	673	300	(373)	300	
Sky Legends Pumps Materials	35	500	500	0	0	500	500	500	
Sky Legends Lines Materials	859	300	20	280	271	300	29	300	
Sky Legends Other Materials	0	300	240	60	53	300	247	300	
Sky Legends Valves Labor	494	600	600	0	0	600	600	600	
Sky Legends Pumps Labor	220	500	500	0	0	500	500	500	
Sky Legends Lines Labor	543	1,200	(1,100)	2,300	2,261	1,200	(1,061)	1,200	
Sky Legends Other Labor	0	600	600	0	0	600	600	600	
Operations Manager	10,855	10,000	(2,000)	12,000	10,710	9,000	(1,710)	10,000	
Valley Floor Ditch/Pond Maint	1,333	1,400	1,400	0	0	1,400	1,400	1,400	
Irrigation System Start Up & Blow Out	1,677	2,400	2,400	0	0	2,400	2,400	2,400	Prior Yr
Utilities-Electricity	9,617	11,330	0	11,330	8,933	9,413	480	11,330	Mgt Est
Water Billings	7,031	6,986	0	6,986	5,241	4,891	(350)	7,196	
Delinquent Collection Fees	70	100	0	100	69	100	31	100	
Augmentation Water Lease	1,559	1,600	(131)	1,731	1,559	1,600	41	1,783	Per Lease Agmt
Town of Gypsum Raw Water Lease	136	136	0	136	136	136	0	136	Per Lease Agmt
Irrigation System Improvements	46	0	0	0	0	0	0	0	
Pump System Upsize for Village Site								10,000	Placeholder Pending Amt
Line Extension for Village Site								10,000	Placeholder Pending Amt
Allocated Overhead	25,748	22,529	0	22,529	10,172	16,194	6,022	18,511	From General Fund
Contingency	0	10,000	10,000	0	0	0	0	10,000	
<b>TOTAL EXPENDITURES</b>	<b>74,707</b>	<b>83,681</b>	<b>20,014</b>	<b>63,667</b>	<b>43,574</b>	<b>61,583</b>	<b>18,009</b>	<b>100,056</b>	
<b>EXCESS REV OVER(UNDER) EXPEN</b>	<b>23,451</b>	<b>14,661</b>	<b>20,443</b>	<b>35,105</b>	<b>37,333</b>	<b>18,794</b>	<b>18,540</b>	<b>29,018</b>	
<b>OTHER FINANCING SOURCES</b>									
Repayment of Prepaid Taps	0	0	0	0	0	0	0	0	
<b>Surplus after Other Financing Source</b>	<b>23,451</b>	<b>14,661</b>	<b>20,443</b>	<b>35,105</b>	<b>37,333</b>	<b>18,794</b>	<b>18,540</b>	<b>29,018</b>	
Fund Balance-Beginning of Year	82,743	102,726	3,468	106,194	106,194	102,726	3,468	141,299	
<b>Fund Balance-End of Year</b>	<b>106,194</b>	<b>117,388</b>	<b>23,911</b>	<b>141,299</b>	<b>143,527</b>	<b>121,520</b>	<b>22,007</b>	<b>170,317</b>	

See Accompanying Accountant's Report

### CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners<sup>1</sup> of Eagle County, Colorado.

On behalf of the Cotton Ranch Metropolitan District, the Board of Directors of the Cotton Ranch Metropolitan District

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS

assessed valuation of: (Gross assessed valuation, Line 2 of the Certification of Valuation Form DLG 57) \$ 6,898,380

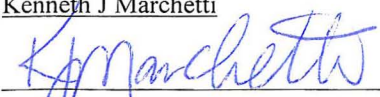
Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the

NET assessed valuation of: (NET assessed valuation, Line 4 of the Certification of Valuation Form DLG 57) \$ 6,898,380

Submitted: December 10, 2014 for budget/fiscal year 2015  
(not later than Dec 15) (dd/mm/yyyy) (yyyy)

PURPOSE	LEVY <sup>2</sup>	REVENUE <sup>2</sup>
1. General Operating Expenses	<u>1.345</u> mills	\$ <u>9,278.32</u>
2. (MINUS) Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction	<u>(0.000)</u> mills	\$ <u>-</u>
<b>SUBTOTAL FOR GENERAL OPERATING:</b>	<b><u>1.345</u> mills</b>	<b><u>\$ 9,278.32</u></b>
3. General Obligation Bonds and Interest [Special Districts must certify separately for each debt pursuant to 29-1-301(1.7),C.R.S.; see page 2 of this form.]	<u>47.000</u> mills	\$ <u>324,223.86</u>
4. Contractual Obligations Approved at Election [Per 29-1-301(1.7) C.R.S.]	<u>0.000</u> mills	\$ <u>-</u>
5. Capital Expenditures [These revenues are not subject to the statutory property tax revenue limit if they are approved by counties and municipalities <u>through public hearing</u> pursuant to 29-1-301(1.2)C.R.S. and for special districts <u>through approval from the Division of Local Government</u> pursuant to 29-1-302(1.5)C.R.S. or for any taxing entity if <u>approved at election.</u> ]	<u>0.000</u> mills	\$ <u>-</u>
6. Refunds/Abatements	<u>0.000</u> mills	\$ <u>-</u>
7. Other (specify): _____ [These levies and revenues are for purposes not subject to 29-1-301 C.R.S. that were not reported above]	<u>0.000</u> mills	\$ <u>-</u>
<b>TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]</b>	<b><u>48.345</u> mills</b>	<b><u>\$ 333,502.18</u></b>

Contact person: Kenneth J Marchetti Daytime phone: (970) 926-6060 x 8

Signed:  Title: District Administrator

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, Colorado 80203. Questions? Call DLG (303) 866-2156.

<sup>1</sup> 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.

<sup>2</sup> 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**  
**COTTON RANCH METROPOLITAN DISTRICT**

**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 revenue 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:**

1. Purpose of Issue: Refund the District's 1998 and 1999A Bonds  
Series: GO Refunding Bonds Series 2006  
Date of Issue: December 1, 2006  
Coupon rate: 4.0% to 4.75%  
Maturity Date: December 1, 2022  
Levy: 7.933  
Revenue: \$54,724.85
  
- 2 Purpose of Issue: Required Conversion from Limited GO Bonds Series 2002A to 2010 Unlimited GO Conversion Bonds  
Series: 2010 Unlimited GO Conversion Bonds  
Date of Issue: January 1, 2010  
Coupon rate: 5.95%  
Maturity Date: December 1, 2035  
Levy: 9.480  
Revenue: \$65,396.64
  
- 3 Purpose of Issue: Resturcture a Portion of the GO Refunding Bonds Series 2006  
Series: GO Refunding Bonds Series 2006  
Date of Issue: December 1, 2013  
Coupon rate: 5.50% to 6.00%  
Maturity Date: December 1, 2031  
Levy: 29.587  
Revenue: \$204,102.37

**CONTRACTURAL:**

1.  
Purpose of Contract:  
Title:  
Date of Issue:  
Maturity Date:  
Levy:  
Revenue:

## AMENDED CERTIFICATION OF VALUES

Name of Jurisdiction: COTTON RANCH METRO DIST, 065

New District:

---

### 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. The total Assessed Valuations for taxable year **2014**  
 In **EAGLE COUNTY** On **11/20/2014** Are:

Previous Year's Net Total Assessed Valuation:	\$6,724,490
Current Year's Gross Total Assessed Valuation:	\$6,898,380
(-) Less TIF district increment, if any:	\$0
Current Year's Net Total Assessed Valuation:	\$6,898,380
New Construction*:	\$204,740
Increased Production of Producing Mines**:	\$0
ANNEXATIONS/INCLUSIONS:	\$0
Previously Exempt Federal Property**:	\$0
New Primary Oil or Gas production from any Oil and Gas leasehold or land (29-1-301(1)(b) C.R.S.)***:	\$0
Taxes Received last year on omitted property as of August 1 (29-1-301(1)(a) C.R.S.) Includes all revenue collected on valuation not previously certified.	\$0.00
Taxes Abated or Refunded as of August 1 (39-10-114(1)(a)(I)(B) C.R.S.):	\$4,823.58

This value reflects personal property exemptions 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 the personal property connected with the structure.

\*\* Jurisdiction must submit a certification to the Division of Local Government in order for a value to be accrued (DLG52 & 52A)

\*\*\* Jurisdiction must submit an application to the Division of Local Government in order for a value to be accrued. (DLG 52B)

---

### USE FOR 'TABOR' LOCAL GROWTH CALCULATIONS ONLY

In accordance with the Art. X, Sec. 20, Colorado Constitution and 39-5-121(2)(b), C.R.S. The Actual Valuations for the taxable year **2014**  
 In **EAGLE COUNTY** On **11/20/2014** Are:

Current Year's Total Actual Value of All Real Property*:	\$75,346,300
ADDITIONS TO TAXABLE REAL PROPERTY:	
Construction of taxable real property improvements**:	\$2,572,010
ANNEXATIONS/INCLUSIONS:	\$0
Increased Mining Production***:	\$0
Previously exempt property:	\$0
Oil or Gas production from a new well:	\$0
Taxable real property omitted from the previous year's tax warrant. (Only the most current year value can be reported):	\$0
DELETIONS FROM TAXABLE REAL PROPERTY IMPROVEMENTS:	
Destruction of taxable property improvements.	\$0
Disconnections/Exclusions:	\$0
Previously Taxable Property:	\$0

\* 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 mine and increase in production of a producing mine.

---

NOTE: All levies must be certified to the Board of County Commissioners no later than December 15, 2014