

Cotton Ranch Metropolitan District

January 27, 2017

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

Re: Cotton Ranch Metropolitan District Budget; LGID #19051

Attached is the 2017 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 8, 2016. If there are any questions on the budget, please contact Mr. Kenneth J. 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; 39.885 mills for G.O. bonds; 0.0 mills for refunds/abatements; and 0.0 mills for Temporary Tax Credit/Mill Levy Reduction. Based on an assessed valuation of \$10,139,440, the total property tax revenue is \$418,049.11. 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

2017 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.

2017 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.

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 2017 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 2017 AND ENDING ON THE LAST DAY OF DECEMBER 2017.

WHEREAS, the Board of Directors of the Cotton Ranch Metropolitan District has appointed a budget committee to prepare and submit a proposed 2017 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 8, 2016, 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.

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RESOLUTIONS OF COTTON RANCH METROPOLITAN DISTRICT (CONTINUED)

TO SET MILL LEVIES

A RESOLUTION LEVYING PROPERTY TAXES FOR THE YEAR 2017, TO HELP DEFRAID THE COSTS OF GOVERNMENT FOR THE COTTON RANCH METROPOLITAN DISTRICT, EAGLE COUNTY, COLORADO, FOR THE 2017 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 8, 2016, and;

WHEREAS, the amount of money necessary to balance the budget for general operating expenses and capital expenditure purposes from property tax revenue is \$13,637.5 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 \$404,411.56, and;

WHEREAS, the 2016 valuation for assessment for the Cotton Ranch Metropolitan District, as certified by the County Assessor is \$10,139,440.

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 2017 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 2016.

Section 2. That for the purposes of rendering a refund to its constituents during budget year 2017 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 2017 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 2016.

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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 2017 budget year, there is hereby levied a tax of 39.885 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2016.
- 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.

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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 2017 BUDGET YEAR.

WHEREAS, the Board of Directors has adopted the annual budget in accordance with the Local Government Budget Law, on November 8, 2016, 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 \$9,662

TOTAL GENERAL FUND: \$9,662

DEBT SERVICE FUND:

Debt Service Expenditures \$419,144

Transfers \$ 0

TOTAL DEBT SERVICE FUND: \$419,144

ENTERPRISE FUND:

Current Operating Expenses \$108,673

TOTAL ENTERPRISE FUND: \$108,673

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RESOLUTIONS OF COTTON RANCH METROPOLITAN DISTRICT (CONTINUED)

**TO ADOPT 2017 BUDGET, SET MILL LEVIES AND
APPROPRIATE SUMS OF MONEY
(CONTINUED)**

The above resolutions to adopt the 2017 budget, set the mill levies and to appropriate sums of money were adopted this 8th day of November, 2016.

Attest: *Christy Master*

Title: *President*

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

Printed: 01/27/17

GENERAL FUND	12 Month	Cal Yr	Variance	Cal Yr	10 Months	10 Months	Variance	Cal Yr	Budget
	Ended 12/31/15 Actual	2016 Adopted Budget		Favorable (Unfavor)	2016 Forecast	Ended 10/31/16 Actual		Ended 10/31/16 Budget	
Assessed Value	6,898,380 3%	9,980,920 45%		9,980,920				10,139,440 2%	Aug Prelim Cert of AV
Operating Mill Levy	1.345	1.345		1.345				1.345	
Debt Service Mill Levy	47.000	47.000		47.000				39.885	
Total Mill Levy	48.345	48.345		48.345				41.230	
REVENUE									
Property Taxes for General Operations	9,278	13,424	0	13,424	13,246	13,290	(44)	13,638	
Property Tax Abatements	0		0		(0)	0	(0)		
Specific Ownership (Auto) Taxes	475	591	0	591	477	443	34	600	4.5% of Prop Tax
Interest Income	627	1,018	1,782	2,800	2,386	849	1,538	1,105	
Abatement Interest	0		0		0	0	0		
Conservation Trust Fund	2,887	3,250	0	3,250	2,550	2,439	111	3,250	Based on Prior Yr
Other	0		0		0	0	0		
TOTAL REVENUE	13,267	18,283	1,782	20,065	18,659	17,021	1,639	18,592	
EXPENDITURES									
Accounting & Administration	23,526	24,720	0	24,720	19,236	20,600	1,364	24,720	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	1,200	2,000	0	2,000	1,600	2,000	400	2,000	Based on Prior Yr
Election	0	1,500	1,192	308	308	1,500	1,192	0	Based on Prior Yrs
Insurance	2,221	2,444	(1,176)	3,619	3,619	2,444	(1,176)	3,981	Based on Prior Yr
Legal-General	749	3,000	1,800	1,200	165	2,500	2,335	3,000	Based on Prior Yr
Office Overhead	847	1,200	0	1,200	1,128	1,000	(128)	1,200	Based on Prior Yr
Other Expenses	443	500	0	500	86	417	331	500	Based on Prior Yr
Payroll Taxes	92	250	0	250	124	0	(124)	250	Based on Prior Yr
Treasurer's fees	279	403	0	403	398	399	1	409	3% of Prop Tax
Treasurer's Deed Purchase	15		25	(25)	(25)	0	25	0	
Contingency	0	7,000	7,000	0	0	0	0	7,000	
Overhead Allocated to Water Fund	(13,849)	(19,307)	(3,536)	(15,770)	(12,756)	(14,444)	(1,688)	(19,324)	See Water Fund
Overhead Allocated to Dt Svd Fund	(13,849)	(19,307)	(3,536)	(15,770)	(12,756)	(14,444)	(1,688)	(19,324)	See Water Fund
TOTAL EXPENDITURES	6,924	9,653	1,768	7,885	6,378	7,222	844	9,662	
OP REV OVER (UNDER) EXPEND	6,343	8,630	3,550	12,180	12,281	9,799	2,482	8,930	
OTHER FINANCING SOURCES									
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	0	0	0	0	0	0	0	0	
NET REV OVER (UNDER) EXPEND	6,343	8,630	3,550	12,180	12,281	9,799	2,482	8,930	
Fund Balance-Beginning of Year	61,470	67,880	(6,410)	61,470	67,812	67,880	(68)	73,649	
Fund Balance-End of Year	67,812	76,510	(2,861)	73,649	80,093	77,679	2,415	82,580	

No assurance is provided on these financial statements; substantially all disclosures required by GAAP omitted.

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

Printed: 01/27/17

DEBT SERVICE FUND	12 Month Ended 12/31/15 Actual	Cal Yr 2016 Adopted Budget	Variance Favorable (Unfavor)	Cal Yr 2016 Forecast	10 Months Ended 10/31/16 Actual	10 Months Ended 10/31/16 Budget	Variance Favorable (Unfavor)	Cal Yr 2017 Adopted Budget	Budget Assumptions
ASSESSED VALUE									
Total Assessed Value	6,898,380	9,980,920		9,980,920	9,980,920			10,139,440	
Debt Service Mill Levy Rate	47.000	47.000		47.000	47.000			39.885	
Debt Service Property Taxes Levied		469,103		469,103				404,412	
REVENUE									
Property Taxes for Debt Service	324,222	469,103	0	469,103	462,868	464,412	(1,544)	404,412	Per Above
Property Tax Abatement	0	0	0	0	(4)	0	(4)		
Specific Ownership (Auto) Taxes	16,598	20,641	0	20,641	16,685	15,480	1,204	17,794	4.% of Prop Tax
Interest Income	1,192	469	331	800	684	391	293	404	
Abatement Interest	0	0	0	0	0	0	0		
TOTAL REVENUE	342,011	490,213	331	490,544	480,233	480,284	(51)	422,610	
EXPENDITURES									
2006 Unrefunded Bonds Principal	0	225,000	0	225,000	0	0	0	100,000	
2006 Unrefunded Bonds Interest	49,788	49,788	0	49,788	24,894	24,894	0	39,888	
2010 Conversion Bonds Principal	0	0	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	0	0	0	0	0	
2013A Restructured Bonds Int	185,700	185,700	0	185,700	92,850	92,850	0	185,700	
Sub Bnds Unpd P&I w/ min 35 (Gal Adj)	0	0	0	0	0	0	0	0	
Subtotal	294,988	519,988	0	519,988	117,744	117,744	0	385,088	
Mill Levy to cover Unlimited Tax Bonds		47.000		47.000				39.885	
Mill Levy to bring D/S mill to 35 mills Gallagherized		0.000		0.000				0.000	
Allocated Overhead									
Paying Agent Fees	2,400	2,600	0	2,600	1,075	1,300	225	2,600	Based on Prior Yr
Treasurer's fees	9,762	14,073	0	14,073	13,906	13,932	26	12,132	3% of Prop Tax
Overhead Allocated from General Fnd	13,849	19,307	0	19,307	12,756	14,444	1,688	19,324	
TOTAL EXPENDITURES	320,999	555,968	0	555,968	145,481	147,420	1,939	419,144	
OP REV OVER (UNDER) EXPEND	21,012	(65,755)	331	(65,424)	334,752	332,864	1,888	3,466	
OTHER FINANCING SOURCES									
Bond Proceeds	0	0	0	0	0	0	0	6,420,000	
Bond Restructure	0	0	0	0	0	0	0	(6,124,000)	
Bond Cost of Issuance	0	0	0	0	0	0	0	(296,000)	
Contingency								(100,000)	
NET REV OVER (UNDER) EXPEND	21,012	(65,755)	331	(65,424)	334,752	332,864	1,888	(96,534)	
Fund Balance-Beginning of Year	253,824	271,319	3,517	274,836	274,836	271,319	3,517	209,412	
Fund Balance-End of Year	274,836	205,564	3,848	209,412	609,588	604,183	5,405	112,878	

No assurance is provided on these financial statements; substantially all disclosures required by GAAP omitted.

COTTON RANCH METROPOLITAN DISTRICT

Printed:

Printed: 01/27/17

SUBORDINATE BONDS INTEREST & CONVERSION	12 Month Ended 12/31/15 Actual	Cal Yr 2016 Adopted Budget	Variance Favorable (Unfavor)	Cal Yr 2016 Forecast	10 Months Ended 10/31/16 Actual	10 Months Ended 10/31/16 Budget	Variance Favorable (Unfavor)	Cal Yr 2017 Adopted Budget	Budget Assumptions
Principal									
Subordinate Bonds Beginning Balance	2,485,000	2,485,000		2,485,000				2,485,000	
Subordinate Bonds Unpaid Principal									
Subordinate Bonds Converted									
Subordinate Bonds Ending Balance	2,485,000	2,485,000		2,485,000	0	0	0	2,485,000	
Interest									
Accrued Interest Subordinate Bonds-Beginning		1,914,309		1,914,309				2,062,166	
Interest Accrued for Year	147,858	147,858		147,858	0	0	0	147,858	
Interest Paid								0	
Accrued Interest Balance Owing	147,858	2,062,166		2,062,166	0	0	0	2,210,024	

Calculation of Conversion of Subordinate Bonds

35% OF AV	3,493,322	3,493,322					3,548,804
Senior Bonds Outstanding	5,130,000	5,130,000					5,340,000
Excess	(1,636,678)	(1,636,678)					(1,791,196)
Amount to Convert	0	0					0

Prin Pmts Per 2002A Bond Resolution

Potential Parity ASW Bonds
Tot Subordinate Bond Pmts

Conversion Bond
2010

Next \$500k Conversion
Next \$500k Conversion
Next \$500k Conversion
Next \$500k Conversion

\$2.485MM Subordinate Bond

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

Printed: 01/27/17

WATER UTILITY FUND	12 Month	Cal Yr			10 Months	10 Months	Variance	Cal Yr	
	Ended 12/31/15 Actual	2016 Adopted Budget	Variance Favorable (Unfavor)	Cal Yr 2016 Forecast	Ended 10/31/16 Actual	Ended 10/31/16 Budget	Favorable (Unfavor)	2017 Adopted Budget	Budget Assumptions
Irrigation Customers - Valley	152	152		158				158	
Irrigation Customers - Sky Legend	69	69		84				84	
Irrigation Customers - Villas	0			6				12	
User Fee - Valley Floor	\$62	\$64		\$64				\$66	3% increase
User Fee - Sky Legend	\$31	\$32		\$32				\$2,600	3% increase
Tap Fee	\$2,500	\$2,600		\$2,600				\$2,700	4% Increase
REVENUE									
Water Base Charges - Valley Floor	57,288	58,368	2,176	60,544	60,544	58,368	2,176	62,568	Base Water Charges
Water Base Charges - Valley Rd Trees	5,580	5,760	0	5,760	5,760	5,760	0	5,940	
Water Base Charges - Villas			1,152	1,152	800	0	800	187,200	
Water Overage Charges - Valley	10,936	11,264	2,709	13,973	13,973	11,264	2,709	14,392	Water Overage Charges
Water Base Charges - Sky Legend	15,066	15,518	514	16,032	16,032	15,518	514	16,513	Base Water Charges
Water Overage Charges - Sky Legend	2,891	2,984	(1,384)	1,600	1,600	2,984	(1,384)	1,600	Water Overage Charges
Broken Meter Fees	0	0	0	0	0	0	0	0	
Title Prep & Reconnect Fees	1,200	1,500	(800)	700	650	1,250	(600)	720	
Late Fees / Finance Charges	2,651	1,500	1,654	3,154	3,154	1,250	1,904	3,000	
Tap Fees - Valley Floor	7,500	5,200	(5,200)	0	0	5,200	(5,200)	2,700	150 Coyote
Tap Fees - Sky Legend	4,900	7,800	(7,800)	0	0	7,800	(7,800)	8,100	357, 387 & 1316 Legend
Tap Fees - Villas	8,750	6,250	5,000	11,250	11,250	2,083	9,167	13,500	58 units thru 2019
Interest Income	0		0		0	0	0	0	Prior Yr
Other Income	2,542	0	613	613	613	0	613	0	
TOTAL REVENUE	119,304	116,144	(1,366)	114,778	114,376	111,477	2,899	316,233	

No assurance is provided on these financial statements; substantially all disclosures required by GAAP omitted.

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

Printed: 01/27/17

WATER UTILITY FUND	12 Month Ended 12/31/15 Actual	Cal Yr 2016 Adopted Budget	Variance Favorable (Unfavor)	Cal Yr 2016 Forecast	10 Months Ended 10/31/16 Actual	10 Months Ended 10/31/16 Budget	Variance Favorable (Unfavor)	Cal Yr 2017 Adopted Budget	Budget Assumptions
EXPENDITURES									
Legal & Engineering - Water	2,074	3,000	1,500	1,500	793	2,500	1,707	6,000	Mgt Est
Valley Floor Valves Parts & Supplies	101	600	400	200	185	600	415	600	
Valley Floor Pump Parts & Supplies			(578)	578	578	0	(578)	1,000	
Valley Floor Lines Parts & Supplies	1,230	600	530	70	70	600	530	600	
Valley Floor Other Parts & Supplies	10	400	400	0	0	400	400	400	
Valley Floor Valves Labor	0	1,000	1,000	0	0	1,000	1,000	1,000	
Valley Floor Lines Labor	928	2,600	1,308	1,292	1,292	2,600	1,308	2,600	
Valley Floor Other Labor	0	1,200	1,200	0	0	1,200	1,200	1,200	
Sky Legends Valves Parts & Supplies	104	300	(300)	600	518	300	(218)	300	
Sky Legends Pumps Parts & Supplies	0	500	500	0	0	500	500	500	
Sky Legends Lines Parts & Supplies	548	300	267	33	33	300	267	300	
Sky Legends Other Parts & Supplies	0	300	200	100	94	300	206	300	
Sky Legends Valves Labor	1,406	600	600	0	0	600	600	600	
Sky Legends Pumps Labor	0	500	500	0	0	500	500	500	
Sky Legends Lines Labor	418	1,200	1,200	0	0	1,200	1,200	1,200	
Sky Legends Other Labor	0	600	600	0	0	600	600	600	
Operations Manager	28,634	18,540	(9,460)	28,000	21,803	18,540	(3,263)	29,000	
Repairs & Maint - Pump & Pumphouse	0	2,000	(6,075)	8,075	8,075	1,667	(6,408)	5,000	Rework 3 pumps, Computer
Valley Floor Ditch/Pond Maint	120	1,400	1,090	310	309	1,400	1,091	1,400	
Irrigation System Start Up & Blow Out	3,101	2,400	0	2,400	0	900	900	2,400	Prior Yr
Utilities-Electricity	13,634	11,330	0	11,330	10,772	11,156	384	11,330	Mgt Est
Water Billings	6,945	7,412	0	7,412	5,503	6,115	612	9,000	Read Sky Leg Monthly
Delinquent Collection Fees	13	100	0	100	0	100	100	100	
Augmentation Water Lease	1,559	1,783	224	1,559	1,559	1,783	224	1,783	Per Lease Agmt
Town of Gypsum Raw Water Lease	0	136	0	136	0	136	136	136	Per Lease Agmt
Locates	433	500	(1,000)	1,500	1,428	417	(1,012)	1,500	
Pump System Replacements	28,109	10,000	10,000	0	0	10,000	10,000	0	
Line Extension for Village Site	6,711	12,000	12,000	0	0	12,000	12,000	0	
Allocated Overhead	13,849	19,307	0	19,307	12,756	14,444	1,688	19,324	From General Fund
Contingency	0	10,000	10,000	0	0	0	0	10,000	
TOTAL EXPENDITURES	109,925	110,607	26,106	84,502	65,767	91,856	26,090	108,673	
EXCESS REV OVER(UNDER) EXPEN	9,379	5,537	24,740	30,277	48,609	19,621	28,989	207,560	
OTHER FINANCING SOURCES									
Repayment of Prepaid Taps	0	0	0	0	0	0	0	0	
Surplus after Other Financing Source	9,379	5,537	24,740	30,277	48,609	19,621	28,989	207,560	
Fund Balance-Beginning of Year	149,479	153,397	5,461	158,859	158,859	153,397	5,461	189,135	
Fund Balance-End of Year	158,859	158,934	30,201	189,135	207,468	173,018	34,450	396,695	

No assurance is provided on these financial statements; substantially all disclosures required by GAAP omitted.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Eagle County, Colorado.

On behalf of the Cotton Ranch Metropolitan District

(taxing entity)^A

the Board of Directors

(governing body)^B

of the Cotton Ranch Metropolitan District

(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS assessed valuation of:

\$ 10,139,440

(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:

\$ 10,139,440


(NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)

USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/9/2016
(not later than Dec 15) (mm/dd/yyyy)

for budget/fiscal year 2017.
(yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY²	REVENUE²
1. General Operating Expenses ^H	1.345 mills	\$ 13,637.55
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	0.000 mills	\$ -
SUBTOTAL FOR GENERAL OPERATING:	1.345 mills	\$ 13,637.55
3. General Obligation Bonds and Interest ^J	39.885 mills	\$ 404,411.56
4. Contractual Obligations ^K	0.000 mills	\$ -
5. Capital Expenditures ^L	0.000 mills	\$ -
6. Refunds/Abatements ^M	0.000 mills	\$ -
7. Other ^N (specify): _____	0.000 mills	\$ -
	0.000 mills	\$ -
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	41.230 mills	\$ 418,049.11

Contact person: Kenneth J. Marchetti Daytime phone: (970) 926-6060 ext 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) 864-7720.

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

Cotton Ranch Metropolitan District

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-603 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 (32-1-603, 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: 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: 14.489
Revenue: \$146,910.35

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: 6.163
Revenue: \$62,489.37

3. Purpose of Contract: Resturcture a Portion of the GO Refunding Bonds Series 2006
Title: GO Refunding Bonds Series 2006
Date: December 1, 2013
Principal Amount: 5.50% to 6.00%
Maturity Date: December 1, 2031
Levy: 19.233
Revenue: \$195,011.85

CONTRACTS^K:

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.

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 2016
 in **EAGLE COUNTY** On 11/18/2016 Are:

Previous Year's Net Total Assessed Valuation:	\$9,985,260
Current Year's Gross Total Assessed Valuation:	\$10,139,440
(-) Less TIF district increment, if any:	\$0
Current Year's Net Total Assessed Valuation:	\$10,139,440
New Construction*:	\$147,450
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.):	\$11.15

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 2016
 in **EAGLE COUNTY** On 11/18/2016 Are:

Current Year's Total Actual Value of All Real Property*:	\$11,589,750
ADDITIONS TO TAXABLE REAL PROPERTY:	
Construction of taxable real property improvements**:	\$1,852,350
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:	\$0
Destruction of taxable property improvements:	\$0
Disconnections/Exclusions:	\$0
Previously Taxable Property:	\$530

* 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, 2016