

**RESOLUTION  
ADOPTING BUDGET, IMPOSING MILL LEVY AND APPROPRIATING  
FUNDS**

**(2023)**

The Board of Directors of Cathedral Pines Metropolitan District (the "Board"), County of El Paso, Colorado (the "District") held a regular monthly meeting held at the Lodge, on Tuesday, November 29, 2022, at the hour of 6:00 P.M.

Prior to the meeting, each of the directors was notified of the date, time and place of the budget meeting and the purpose for which it was called and a notice of the meeting was posted or published in accordance with § 29-1-106, C.R.S.

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## NOTICE AS TO PROPOSED 2023 BUDGET

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET AND APPROPRIATING SUMS OF MONEY TO EACH FUND IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE DISTRICT FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2022 AND ENDING ON THE LAST DAY OF DECEMBER 2022.

WHEREAS, the Board has authorized its accountant to prepare and submit a proposed budget to the Board in accordance with Colorado law; and

WHEREAS, the proposed budget has been submitted to the Board for its review and consideration; and

WHEREAS, upon due and proper notice, provided in accordance with Colorado law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on November 16, 2021, interested electors were given the opportunity to file or present any objections to said proposed budget at any time prior to final adoption of the budget by the Board.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

Section 1. Adoption of Budget. The budget attached hereto and incorporated herein is approved and adopted as the budget of the District for fiscal year 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. Any such modification to the budget or certification as contemplated by this Section 1 shall be deemed ratified by the Board.

Section 2. Levy for General Operating Expenses. For the purpose of meeting all general operating expenses of the District during the 2023 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.

Section 3. Levy for Debt Service Obligations. For the purposes of meeting all debt service obligations of the District during the 2023 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.

Section 4. Levy for Contractual Obligation Expenses. For the purposes of meeting all contractual obligations of the District during the 2022 budget year, there is hereby levied a tax of \_\_\_\_\_ mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 5. Levy for Capital Project Expenses. For the purposes of meeting all capital project obligations of the District during the 2022 budget year, there is hereby levied a tax of \_\_\_\_\_ mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 6. Certification to County Commissioners. The Board directs its legal counsel, manager, accountant, or other designee to certify to the Board of County Commissioners of El Paso County, Colorado the mill levies for the District as set forth herein. Such certification shall be in compliance with the requirements of Colorado law.

Section 7. Appropriations. The amounts set forth as expenditures in the budget attached hereto are hereby appropriated.

Section 8. Filing of Budget and Budget Message. The Board hereby directs its legal counsel, manager, or other designee to file a certified copy of the adopted budget resolution, the budget and budget message with the Division of Local Government by January 30 of the ensuing year.

Section 9. Budget Certification. The budget shall be certified by a member of the District, or a person appointed by the District, and made a part of the public records of the District.

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ADOPTED THIS 29<sup>th</sup> DAY OF NOVEMBER, 2022.

CATHEDRAL PINES METROPOLITAN DISTRICT

**William Heeter**

\_\_\_\_\_  
Officer of the District

ATTEST:

**Deborah Perry**

\_\_\_\_\_  
Approved as to Form:

The Gardner Law Office  
Attorneys at Law

**Laura A Gardner**

\_\_\_\_\_  
Legal Counsel to the District

STATE OF COLORADO  
COUNTY OF EL PASO  
CATHEDRAL PINES METROPOLITAN DISTRICT

I hereby certify that the foregoing resolution constitutes a true and correct copy of the record of proceedings of the Board adopted by a majority of the Board at a District meeting held on Tuesday November 16th, 2021, via GoToMeeting, as recorded in the official record of the proceedings of the District.

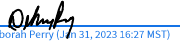
IN WITNESS WHEREOF, I have hereunto subscribed my name this 29<sup>th</sup> day of November, 2021.

*Rebecca Harris*  
\_\_\_\_\_

EXHIBIT A  
BUDGET DOCUMENT  
BUDGET MESSAGE

Signature:   
Laura Gardner (Jan 31, 2023 15:31 MST)  
Email: lgardner@rsglaw.net

Signature:   
William Heeter (Jan 31, 2023 15:44 MST)  
Email: bheeter2@aol.com

Signature:   
Deborah Perry (Jan 31, 2023 16:27 MST)  
Email: debbie.perry@cathedralpineshoa.org

**BUDGET MESSAGE**  
(Pursuant to § 29-1-103(1) (e), C.R.S.)

Cathedral Pines Metropolitan District

The attached 2023 Budget for Cathedral Pines Metropolitan District includes these important features:

- The primary sources of revenue for the district are tax revenues and rental sales for the Lodge and Storage Shed
- Development of a capital construction plan and construction of priority projects with the use of borrowed funds.
- Funding of landscape maintenance including any possible repairs
- Funding of pond maintenance including any possible repairs
- Payment of debt service obligations.

The Budgetary basis of accounting timing measurement method used is:

- Cash basis
- Modified accrual basis
- Encumbrance basis
- Accrual basis

The District uses funds to budget and report on the financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions. The various funds determine the total District budget. All of the district's funds are considered Governmental Funds and are reported using the current financial resources and the modified accrual basis of accounting. Revenues are recognized when they are measurable and available. Revenues are considered available when they are collectible within the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures, other than the interest on long term obligations, are recorded when the liability is incurred or the long-term obligation is paid.

The services to be provided/ delivered during the budget year are the following:

- Contracted legal and management services including state required reporting, financial and accounting reports, billing and other services.
- Capital construction for an upgraded irrigation plan.
- Contracted management services for maintenance, repairs, and operation of the Lodge.

**CATHEDRAL PINES METROPOLITAN DISTRICT  
2023 BUDGET  
GENERAL FUND**

	2021 ACTUAL	2022 ACTUAL/ PROJECTED	2022 BUDGET	2023 BUDGET
<b>GENERAL FUND: BEGINNING BALANCE</b>	\$ 118,744	\$ 270,240	\$ 282,139	\$ 237,903
<b>REVENUE</b>				
PROPERTY TAXES	\$ 256,841	\$ 292,867	\$ 292,867	\$ 288,218
SPECIFIC OWNERSHIP TAXES	\$ 60,658	\$ 55,923	\$ 41,001	\$ 40,351
DELINQUENT TAX AND INTEREST	\$ 554	\$ 298	\$ -	\$ -
PRIOR YEAR INTEREST & ABATEMENT	\$ (2,192)	\$ -	\$ -	\$ -
RENTAL INCOME - THE LODGE EVENTS	\$ 96,678	\$ 49,951	\$ 75,000	\$ 115,000
RENTAL INCOME - SHED	\$ 9,167	\$ 9,167	\$ 9,996	\$ 10,200
SALES OF MONUMENT LOGOS	\$ 2,800	\$ -	\$ -	\$ -
<b>OTHER REVENUE</b>				
FEMA FUNDS	\$ -	\$ -	\$ 20,000	\$ 20,000
GRANT	\$ -	\$ -	\$ -	\$ -
<b>TOTAL REVENUES</b>	\$ 424,505	\$ 408,206	\$ 438,865	\$ 473,769
<b>TOTAL REVENUE &amp; FUND BALANCE</b>	\$ 543,250	\$ 678,446	\$ 721,004	\$ 711,672
<b>EXPENDITURES</b>				
<b>SERVICES</b>				
AUDIT (Biggs Kofford)	\$ 8,400	\$ 8,825	\$ 9,000	\$ 9,500
MANAGEMENT (WSDM)	\$ 44,100	\$ 44,201	\$ 46,305	\$ 50,715
MAINTENANCE MANAGEMENT (WARREN)	\$ 32,337	\$ 32,616	\$ 26,250	\$ 30,000
LEGAL	\$ 5,683	\$ 4,623	\$ 15,000	\$ 15,000
CONSULTING SERVICES	\$ -	\$ 3,590	\$ 10,000	\$ -
Category SubTotal	\$ 90,520	\$ 93,855	\$ 106,555	\$ 105,215
<b>LODGE</b>				
LODGE MANAGEMENT	\$ 7,000	\$ 47,757	\$ 42,000	\$ 34,500
ADVERTISING/WEBSITE	\$ -	\$ 3,340	\$ 5,000	\$ 5,000
MARKETING	\$ -	\$ -	\$ -	\$ -
SUPPLIES	\$ 2,107	\$ 2,521	\$ 3,000	\$ 4,000
CLEANING	\$ -	\$ 4,121	\$ 500	\$ 4,000
REPAIRS AND MAINTENANCE	\$ 7,380	\$ 10,314	\$ 15,000	\$ 10,000
UTILITIES	\$ 11,850	\$ 7,718	\$ 10,000	\$ 12,000
SECURITY	\$ 2,175	\$ 2,413	\$ 3,000	\$ 2,500
CAPITAL IMPROVEMENTS	\$ 10,579	\$ 44,111	\$ 60,000	\$ 5,000
SNOW REMOVAL	\$ 11,942	\$ 5,380	\$ 10,000	\$ 10,000
LANDSCAPE REPAIRS & MAINTENANCE	\$ 17,158	\$ 8,491	\$ 10,000	\$ 12,000
TRASH	\$ 1,809	\$ 3,096	\$ 6,000	\$ 2,500
TELEPHONE & NETWORK	\$ 2,884	\$ 2,730	\$ 3,300	\$ 2,500
SALE OF LODGE	\$ -	\$ -	\$ -	\$ -
CONTINGENCY	\$ -	\$ 87	\$ 10,000	\$ 10,000
Category SubTotal	\$ 74,884	\$ 142,079	\$ 177,800	\$ 114,000
<b>GENERAL</b>				
LANDSCAPE MAINTENANCE	\$ 33,490	\$ 58,038	\$ 45,000	\$ 50,000
REPAIRS AND MAINTENANCE	\$ 11,715	\$ 22,290	\$ 25,000	\$ 30,000
LANDSCAPE UPGRADE	\$ -	\$ -	\$ -	\$ 200,000
SNOW REMOVAL	\$ 3,075	\$ 5,400	\$ 25,000	\$ 10,000
UTILITIES	\$ 15,943	\$ 14,681	\$ 20,000	\$ 15,000
INFRASTRUCTURE REPLACEMENT	\$ -	\$ 4,000	\$ 10,000	\$ 10,000
CONTINGENCY	\$ 849	\$ -	\$ 10,000	\$ 10,000
MEETINGS	\$ -	\$ 1,946	\$ -	\$ 3,000
ELECTION	\$ -	\$ 30,223	\$ 10,000	\$ 25,000
SUBSCRIPTIONS/ FEES	\$ -	\$ -	\$ -	\$ -
Category SubTotal	\$ 65,071	\$ 136,578	\$ 145,000	\$ 353,000
<b>OTHER</b>				
BANK CHARGES	\$ -	\$ 20	\$ 500	\$ -
INSURANCE	\$ 9,890	\$ 12,573	\$ 11,000	\$ 12,500
OFFICE EXPENSE	\$ 784	\$ 1,040	\$ 500	\$ 1,500
COUNTY TREASURER'S FEES	\$ 3,861	\$ 4,398	\$ 4,393	\$ 4,323
Category SubTotal	\$ 14,534	\$ 18,031	\$ 16,393	\$ 18,323
<b>COVID RELATED EXPENSES</b>				
LODGE RESTRUCTURING	\$ 28,000	\$ -	\$ -	\$ -
CLEANING SERVICES	\$ -	\$ -	\$ -	\$ -
OTHER	\$ -	\$ -	\$ -	\$ -
Category SubTotal	\$ 28,000	\$ -	\$ -	\$ -
<b>TOTAL EXPENDITURES</b>	\$ 273,010	\$ 390,543	\$ 445,748	\$ 590,538
<b>TRANSFERS OUT</b>				
CAPITAL REPLACEMENT RESERVE	\$ -	\$ 50,000	\$ 25,000	\$ 50,000
TOTAL TRANSFERS OUT	\$ -	\$ 50,000	\$ 25,000	\$ 50,000
<b>GENERAL FUND: ENDING BALANCE</b>	\$ 270,240	\$ 237,903	\$ 250,256	\$ 71,133
ASSESSED VALUATION (000 'S)	13,592,700.000	15,414,060	15,414,060	15,169,380.00
MILL LEVY	19.000	19.000	19.000	19.000

**CATHEDRAL PINES METROPOLITAN DISTRICT  
2023 BUDGET**

<b>DEBT SERVICE FUND</b>				
	<b>2021 ACTUAL</b>	<b>2022 ACTUAL</b>	<b>2022 BUDGET</b>	<b>2023 BUDGET</b>
<b>REVENUE FUND 1: BEGINNING BALANCE</b>	\$ 154,623	\$ 122,635	\$ 184,780	\$ 123,427
<b>REVENUES</b>				
PROPERTY TAXES	\$ 256,841	\$ 292,867	\$ 292,867	\$ 288,218
PRIOR YEAR TAXES & INTEREST ABATEMENT	\$ 554	\$ -	\$ -	\$ -
DELINQUENT TAX AND INTEREST	\$ (2,192)	\$ 298	\$ -	\$ -
INTEREST INCOME	\$ 127	\$ 3,775	\$ -	\$ 1,500
TOTAL REVENUES	\$ 255,330	\$ 296,940	\$ 292,867	\$ 289,718
<b>TOTAL REVENUE &amp; FUND BALANCE</b>	\$ 409,952	\$ 419,575	\$ 477,647	\$ 413,145
<b>EXPENDITURES</b>				
BANK CHARGES				
COUNTY TREASURER'S FEES	\$ 3,861	\$ 4,398	\$ 4,500	\$ 4,323
BOND - PRINCIPAL	\$ 65,000	\$ 75,000	\$ 75,000	\$ 75,000
BOND INTEREST	\$ 218,056	\$ 216,350	\$ 216,350	\$ 213,350
PAYING AGENT / TRUSTEE FEES	\$ 400	\$ 400	\$ 800	\$ 800
CONTINGENCY			\$ 1,000	\$ 5,000
TOTAL EXPENDITURES	\$ 287,317	\$ 296,148	\$ 297,650	\$ 298,473
<b>REVENUE FUND: ENDING BALANCE</b>	\$ 122,635	\$ 123,427	\$ 179,997	\$ 114,672
ASSESSED VALUATION	13,592,700.000	15,414,060.000	15,414,060	15,169,380.00
MILL LEVY	19.000	19.000	19.000	19.000
TOTAL MILL LEVY				

**CATHEDRAL PINES METROPOLITAN DISTRICT  
2023 BUDGET**

<b>CAPITAL RESERVE FUND</b>				
	<b>2021 ACTUAL</b>	<b>2022 ACTUAL</b>	<b>2022 BUDGET</b>	<b>2023 BUDGET</b>
<b>REVENUE FUND 1: BEGINNING BALANCE</b>	\$ -	\$ -	\$ 25,000	\$ 50,000
<b>REVENUES</b>				
TRANSFER IN FROM GENERAL FUND	\$ -	\$ 50,000	\$ 25,000	\$ 50,000
TOTAL REVENUES	\$ -	\$ 50,000	\$ 25,000	\$ 50,000
<b>TOTAL REVENUE &amp; FUND BALANCE</b>	\$ -	\$ 50,000	\$ 50,000	\$ 100,000
<b>EXPENDITURES</b>				
PROJECTED CAPITAL REPLACEMENT	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENDITURES	\$ -	\$ -	\$ -	\$ -
<b>REVENUE FUND: ENDING BALANCE</b>	\$ -	\$ 50,000	\$ 50,000	\$ 100,000