

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE
CLEORA NORTH METROPOLITAN DISTRICT**

For the Calendar Year 2025: (1) Summarizing Expenditures and Revenues for Each Fund and Adopting a Budget and (2) Appropriating Sums of Money to Each Fund in the Amounts and for the Purposes Set Forth Herein

Recitals

A. The Cleora North Metropolitan District (the “**District**”) is a quasi-municipal corporation and political subdivision of the State of Colorado organized pursuant to the Colorado Special District Act, article 1, Title 32, C.R.S.; and

B. The Board of Directors of the District has authorized its budget officer to prepare and submit a proposed budget to said governing body at the proper time; and

C. The proposed budget has been submitted to the Board of Directors of the District for its consideration; and

D. The proposed budget is open for inspection by the public at a designated public office; and

E. The budget 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

F. The District’s budget has made provisions for revenues in an amount equal to or greater than the total proposed expenditures and desires to appropriate the revenues, reserves and expenditures provided in the budget.

G. A public hearing was opened at a duly noticed meeting held by the Board on December 12, 2025, where interested electors were given an opportunity to file or register any objections to said proposed budget; and

H. The Board desires to formally adopt its budget and appropriate funds for the 2025 fiscal year in accordance with Colorado law.

NOW THEREFORE, BE IT RESOLVED BY THE BOAD OF DIRECTORS OF THE CLEORA NORTH METROPOLITAN DISTRICT AS FOLLOWS:

1. Adoption of Budget. That the budget attached to this Resolution as **Exhibit A** is approved and adopted as the budget of the District for fiscal year 2025 (the “**Budget**”), subject to any final adjustment deemed necessary by the Board pursuant to objection or comment of an interested elector received at a final public hearing on the Budget to be held by the District prior to filing with the Division of Local Government.

2. Levy of Property Taxes.

a. General Operating Expenses. The Budget indicated that the amount of money necessary to balance the budget for the general operating expenses from property tax revenue is \$0.00. For the purposes of meeting all general operating expenses of the District during the 2025 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2025.

b. Temporary General Property Tax Credit/Temporary Mill Levy Rate Reduction. No temporary property tax credit/mill levy rate reduction from the General Operating Expenses mill levy is necessary.

c. Debt Service – General Obligation Bonds and Interest. The Budget indicated that the amount of money necessary to balance the budget for making any bond principal and interest payments from property tax revenue is \$0.00. For the purposes of making all bond principal and interest payments of the District during the 2025 budget year, if any, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2025.

d. Contractual Obligations. The Budget indicated that the amount of money necessary to balance the budget for making all payments owed under contractual obligations which are to be repaid from property tax revenue is \$0.00. For the purposes of making all payments owed under contractual obligations which are to be repaid from property tax revenue of the District during the 2025 budget year, if any, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2025.

3. Appropriations. That the amounts set forth as expenditures, transfers and balances remaining, as specified in the Budget, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated.

4. Budget Certification. That this Resolution and Budget be certified by the Secretary or Assistant Secretary of the District.

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APPROVED AND ADOPTED this 12th day of December 2025.

CLEORA NORTH METROPOLITAN DISTRICT



President, Board of Directors

Attest:



Donnie Kaess (Jan 28, 2026 15:08:11 MST)

Secretary, Board of Directors

CERTIFICATION

I, Donnie Kaess, hereby certify that I am the duly elected and qualified Secretary or Assistant Secretary of the Cleora North Metropolitan District, and certify that the Resolution, Budget and all attached exhibits constitutes a true and correct copy of the Resolution, Budget and all exhibits adopted and approved at a meeting of the Board of Directors of the District held on December 12, 2025.

Dated this 12th day of December 2025.

Donnie Kaess

Donnie Kaess (Jan 28, 2026 15:08:11 MST)

Secretary, Board of Directors

EXHIBIT A

(Budget and Budget Message)

CLEORA NORTH METROPOLITAN DISTRICT
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2025

CLEORA NORTH METROPOLITAN DISTRICT

2025 Budget with 2024 Actual

For the Years Ended and Ending December 31, 2025

Property Tax Summary

	2024 Budget	2025 Budget
<u>Assessed Valuation</u>		
Chaffee County	N/A (District organized in 2025)	N/A (District organized in 2025)
<u>Mill Levy</u>		
General Fund	N/A	N/A
Total Mill Levy	N/A	N/A
<u>Tax Revenue Levied</u>	N/A	N/A
General Fund	N/A	N/A
<u>Total Tax Revenue Levied</u>	N/A	N/A

CLEORA NORTH METROPOLITAN DISTRICT

**2025 Budget
with 2024 Actual**

For the Years Ended and Ending December 31, 2025

General Fund

	<u>2024 Budget</u>	<u>2025 Budget</u>
<u>Beginning Funds Available</u>	<u>N/A (District Organized in 2025)</u>	<u>\$0</u>
<u>Revenue</u>		
Developer Advances		\$52,000
Interest Income		\$0
Property Taxes		\$0
<u>Specific Ownership Taxes</u>		<u>\$0</u>
Total Revenue		\$52,000
Total Funds Available		\$52,000
<u>Expenditures</u>		
Administrative/Annual Filings		\$3,000
Legal		\$40,000
Accounting		\$5,000
<u>Insurance/Dues</u>		<u>\$2,500</u>
Total Expenditures		\$50,500

Total Expenditures requiring Appropriation		\$50,500
Ending Funds Available		\$1,500
Emergency Reserve		\$1,500
Total Reserve		\$1,500

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**CLEORA NORTH METROPOLITAN DISTRICT
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Cleora North Metropolitan District (the “District”), a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by order and decree of the District Court in Chaffee County, and is governed pursuant to the provisions of the Colorado Special District Act, Title 32, Article I, Colorado Revised Statutes. The District’s Service area is located in Chaffee County. The District was established to provide financing for the design, acquisition, installation, construction and completion of public improvements and services.

The District has no employees and all administrative functions are contractually outsourced.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of § 29-1-105, C.R.S., using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results because events and circumstances frequently do not occur as expected, and those differences may be material.

Revenues

Developer Advances

The District’s general and administrative costs in 2025 will be funded by the Developer. Developer advances are recorded as revenue for budget purposes with an obligation for future repayment when the District is financially able to reimburse the Developer from bonds proceeds (as applicable) and other legally available revenue.

Property Taxes

Property taxes are levied by the District’s Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer’s election, in February and June. Delinquent taxpayers are notified in August and, generally, sale of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

The calculation of the taxes levied is displayed on the property tax summary information page of the budget.

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. The budget assumes that the District's share will be equal to approximately 5% of the property taxes collected.

Expenditures

General and Administrative Expenditures

General and administrative expenditures include the estimated cost of services necessary to maintain the District's administrative viability such as legal, accounting, insurance, membership dues, election and other administrative expenditures.

Debt and Leases

The District has no debt, nor any capital or operating leases.

Reserves

Emergency Reserve

TABOR requires local governments to establish an emergency reserve. This reserve must be at least 3% of fiscal year spending.

This information is an integral part of the accompanying budget.

No assurance provided. See summary of significant assumptions.

CNMD - 2025 Budget Resolution - FINAL (needs signature) - 01.27.26

Final Audit Report

2026-01-28

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