

COTTONWOOD HOLLOW COMMERCIAL METRO DISTRICT
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2023

**COTTONWOOD HOLLOW COMMERCIAL METRO DISTRICT
SUMMARY
2023 BUDGET
WITH 2021 AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/27/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ 2,873,811	\$ 3,063,648	\$ 3,159,613
REVENUES			
Property taxes	217,030	85,600	279
Specific ownership taxes	16,473	5,713	17
Interest income	28	750	30,000
TIF (Tax increment financing)	54,924	58,740	151
Total revenues	<u>288,455</u>	<u>150,803</u>	<u>30,447</u>
Total funds available	<u>3,162,266</u>	<u>3,214,451</u>	<u>3,190,060</u>
EXPENDITURES			
General Fund	98,618	54,838	65,000
Total expenditures	<u>98,618</u>	<u>54,838</u>	<u>65,000</u>
Total expenditures and transfers out requiring appropriation	<u>98,618</u>	<u>54,838</u>	<u>65,000</u>
ENDING FUND BALANCES	<u>\$ 3,063,648</u>	<u>\$ 3,159,613</u>	<u>\$ 3,125,060</u>
Emergency Reserve	<u>\$ -</u>	<u>\$ 4,600</u>	<u>\$ 1,000</u>
TOTAL RESERVE	<u>\$ -</u>	<u>\$ 4,600</u>	<u>\$ 1,000</u>

No assurance provided. See summary of significant assumptions.

**COTTONWOOD HOLLOW COMMERCIAL METRO DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2023 BUDGET
WITH 2021 AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/27/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
ASSESSED VALUATION - WELD COUNTY			
Agricultural	\$ 12,480	\$ 9,550	\$ 6,380
State assessed	20,060	10,520	10
Vacant land	-	2,120	20
Personal property	-	-	1,560
Other	5,444,810	2,354,080	-
	<u>5,477,350</u>	<u>2,376,270</u>	<u>7,970</u>
TIF District Increment	(1,850,907)	(993,927)	(2,790)
Certified Assessed Value	<u>\$ 3,626,443</u>	<u>\$ 1,382,343</u>	<u>\$ 5,180</u>
MILL LEVY			
General	60.000	60.000	53.941
Total mill levy	<u>60.000</u>	<u>60.000</u>	<u>53.941</u>
PROPERTY TAXES			
General	\$ 217,587	\$ 82,941	\$ 279
Levied property taxes	217,587	82,941	279
Adjustments to actual/rounding	(557)	2,659	-
Budgeted property taxes	<u>\$ 217,030</u>	<u>\$ 85,600</u>	<u>\$ 279</u>
BUDGETED PROPERTY TAXES			
General	<u>\$ 217,030</u>	<u>\$ 85,600</u>	<u>\$ 279</u>
	<u>\$ 217,030</u>	<u>\$ 85,600</u>	<u>\$ 279</u>

No assurance provided. See summary of significant assumptions.

**COTTONWOOD HOLLOW COMMERCIAL METRO DISTRICT
GENERAL FUND
2023 BUDGET
WITH 2021 AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/27/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ 2,873,811	\$ 3,063,648	\$ 3,159,613
REVENUES			
Property taxes	217,030	85,600	279
Specific ownership taxes	16,473	5,713	17
Interest income	28	750	30,000
TIF (Tax increment financing)	54,924	58,740	151
Total revenues	288,455	150,803	30,447
Total funds available	3,162,266	3,214,451	3,190,060
EXPENDITURES			
Accounting	42,951	22,568	26,000
Auditing	2,500	6,000	7,000
County Treasurer's fee	3,256	1,244	4
Dues and membership	258	305	500
Denver annual fees	900	-	-
Director fees	-	2,400	2,500
Election expense	4,888	2,500	2,500
Insurance	2,596	2,971	3,500
Legal	41,117	16,343	20,000
Miscellaneous	152	507	1,000
Contingency	-	-	1,996
Total expenditures	98,618	54,838	65,000
Total expenditures requiring appropriation	98,618	54,838	65,000
ENDING FUND BALANCES	\$ 3,063,648	\$ 3,159,613	\$ 3,125,060
Emergency Reserve	\$ -	\$ 4,600	\$ 1,000
TOTAL RESERVE	\$ -	\$ 4,600	\$ 1,000

No assurance provided. See summary of significant assumptions.

**COTTONWOOD HOLLOW COMMERCIAL METRO DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Cottonwood Hollow Commercial Metropolitan District (the District), a quasi-municipal corporation and political subdivision of the State of Colorado was organized on December 2, 2004 and is governed pursuant to provisions of the Colorado Special District Act. The District's service area boundaries are located entirely in the Town of Firestone (Town), County of Weld, Colorado.

The District operates under a Service Plan approved by the Town on October 14, 2004, First Amendment to the Service Plan approved on October 12, 2012 and the Second Amendment to the Service Plan approved on June 24, 2014. Pursuant to the Service Plan, the District was organized for the purpose of financing streets, street lighting, traffic and safety controls, water, landscaping, storm drainage and park and recreation improvements, all in accordance with its Service Plan. When completed, improvements shall be dedicated to the Town or other governmental entities, all for the use and benefit of residents and taxpayers, or operated and maintained by contract with a Homeowners' Association formed for the Cottonwood Hollow subdivision.

On November 4, 2014, the District's voters authorized total indebtedness of \$11,000,000 for the purpose of providing Public Improvements and \$5,500,000 for the purpose of Debt for Operations and \$16,500,000 for refunding of debt. The election also approved an annual increase in property taxes of \$11,000,000 without limitation of rate, to pay the District's operation and maintenance costs.

The Maximum Mill Levies shall not exceed forty (40) mills for debt service purposes and shall not exceed sixty (60) mills for administration and operating expenses. If, on or after January 1, 2004, there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement; the Maximum Combined Mill Levy may be increased or decreased to reflect such changes, such increases or decreases. The adjusted maximum mill levy is 60.000 mills.

The District has no employees and all operations and administrative functions are contracted.

The District is not financially accountable for any other District organization, nor is the District a component unit of any other primary governmental entity.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 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.

**COTTONWOOD HOLLOW COMMERCIAL METRO DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues

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 sales 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 page of the budget using the adopted mill levy imposed by the District.

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 6% of the property taxes collected.

Interest Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 1.9%.

Tax Increment Financing (TIF)

Pursuant to a cooperation agreement with Northern Firestone Urban Renewal Authority (NFURA), NFURA remits to the District the portion of revenues which it receives as a result of Tax Incremental Revenues attributable to the District's current mill levy.

Expenditures

Administrative Expenditures

Administrative expenditures include the services necessary to maintain the District's administrative viability such as legal, accounting, managerial, insurance, banking, meeting expense, and other administrative expenses. These costs are allocated to each Fund as deemed appropriate to capture actual use by the individual Funds.

**COTTONWOOD HOLLOW COMMERCIAL METRO DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures (Continued)

County Treasurer's Fees

County Treasurer's fees have been computed at 1.5% of property tax collections.

Debt and Leases

Debt and Leases

The District has no debt and no capital or operating leases.

Reserves

Emergency Reserve

The District has provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending as defined under TABOR.

This information is an integral part of the accompanying budget.