COTTONWOOD HOLLOW RESIDENTIAL METROPOLITAN DISTRICT
TOWN OF FIRESTONE, COUNTY OF WELD, STATE OF COLORADO

ANNUAL REPORT FOR FISCAL YEAR 2024

Pursuant to §32-1-207(3)(c) and the Amended and Restated Service Plan for Cottonwood Hollow Residential Metropolitan District (the "**District**"), the District is required to provide an annual report to the Town of Firestone (the "**Town**") with regard to the matters below.

To the best of our actual knowledge, for the year ending December 31, 2024, the District makes the following report:

Service Plan Requirements

1. **Boundary changes made or proposed to the District's boundary as of December 31 of the prior year.**

   There were no boundary changes made or proposed to the District's boundaries in 2024.

2. **Copies of the District's rules and regulations, if any, as of December 31, 2024 of the prior year.**

   As of December 31, 2024, the District had not adopted any rules and regulations.

3. **A summary of any litigation which involves the Public Improvements as of December 31 of the prior year.**

   To our actual knowledge, based on review of the court records in Weld County, Colorado, and the Public Access to Court Electronic Records (PACER) there is no litigation involving the District's Public Improvements as of December 31, 2024.

4. **Status of the District's construction of the public improvements as of December 31 of the prior year.**

   As of December 31, 2024, no public improvements have been constructed by the District.

5. **A list of all facilities and improvements constructed by the District that have been dedicated to and accepted by the Town or other service provider providing service to the property in the District, as of December 31 of the prior year.**

   There were no facilities or improvements constructed by the District dedicated or accepted by the Town. However, Forestar constructed and dedicated various improvements to the Town and the St. Vrain Sanitation District, including landscaping, street lights, pond 1 spillway, and sanitary sewer infrastructure.

6. **Notice of any uncured events of default by the District, which continue beyond a ninety (90) day period, under any Debt instrument.**

   To our actual knowledge, the District did not receive notice of any uncured events of default by the District, which continued beyond a ninety (90) day period, under any debt instrument.

7. **Any inability of the District to pay its obligations as they come due, in accordance with the terms of such obligations, which continue beyond a ninety (90) day period.**

   To our actual knowledge, there was not any inability of the District to pay its obligations as they came due, in accordance with the terms of such obligations, which continued beyond a ninety (90) day period.

8. **Any alteration or revision of the proposed schedule of Debt issuance set forth in the Financial Plan.**

   None.

§32-1-207(3) Statutory Requirements

1. **Boundary changes made.**

   There were no boundary changes made or proposed to the District's boundaries in 2024.

2. **Intergovernmental Agreements entered into or terminated.**

   The District entered into a Reimbursement and Cost Allocation Agreement with Cottonwood Hollow Commercial Metropolitan District dated July 9, 2024 attached hereto as **Exhibit A**. There were no Intergovernmental Agreements terminated in 2024.

3. **Access information to obtain a copy of rules and regulations adopted by the board.**

   As of December 31, 2024, the District had not adopted any rules and regulations.

4. **A summary of litigation involving public improvements owned by the District.**

   To our actual knowledge, based on review of the court records in Weld County, Colorado, and the Public Access to Court Electronic Records (PACER) there is no litigation involving the District's Public Improvements as of December 31, 2024.

5. **Status of the construction of public improvements by the District.**

   As of December 31, 2024, no public improvements had been constructed by the District.

6. **A list of facilities or improvements constructed by the District there were conveyed or dedicated to the county or municipality.**

As of December 31, 2024, no public improvements had been constructed by the District. However, Forestar constructed and dedicated various phase I improvements to the Town and the St. Vrain Sanitation District, including landscaping, street lights, pond 1 spillway and sanitary sewer infrastructure.

7. **The final assessed valuation of the District as of December 31st of the reporting year.**

   The final assessed valuation as of December 31st of the report year is $ 4,970,451.

8. **A copy of the current year's budget.**

   A copy of the 2025 Budget is attached hereto as **Exhibit B.**

9. **A copy of the audited financial statements, if required by the "Colorado Local Government Audit Law", part 6 of article 1 of title 29, or the application for exemption from audit, as applicable.**

   The 2024 audit is not available at this time and will be provided as a supplement to this annual report upon completion.

10. **Notice of any uncured defaults existing for more than ninety (90) days under any debt instrument of the District.**

    To our actual knowledge, the District did not receive notice of any uncured events of default by the District, which continued beyond a ninety (90) day period, under any debt instrument.

11. **Any inability of the District to pay its obligations as they come due under any obligation which continues beyond a ninety (90) day period.**

    To our actual knowledge, there was not any inability of the District to pay its obligations as they came due, in accordance with the terms of such obligations, which continued beyond a ninety (90) day period.

Exhibit A

Reimbursement and Cost Allocation Agreement

REIMBURSEMENT AND COST ALLOCATION AGREEMENT

This **REIMBURSEMENT AND COST ALLOCATION AGREEMENT** (the "**Agreement**") is dated as of July 9, 2024 (the "**Effective Date**"), by and between **COTTONWOOD HOLLOW RESIDENTIAL METROPOLITAN DISTRICT**, a quasi-municipal corporation and political subdivision of the State of Colorado (the "**Residential District**"), and **COTTONWOOD HOLLOW COMMERCIAL METROPOLITAN DISTRICT**, a quasi-municipal corporation and political subdivision of the State of Colorado (the "**Commercial District**"). The Residential District and the Commercial District are collectively referred to herein as the "**Parties**" or the "**Districts**," and each individually as a "**Party**."

RECITALS

WHEREAS, the Parties were organized pursuant to and in accordance with the provisions of §§ 32-1-101, *et seq*., C.R.S. for the purpose of constructing, financing, operating, and maintaining certain public facilities and improvements for themselves and their taxpayers, residents, and users; and

WHEREAS, pursuant to § 32-1-1001(1)(d)(I), C.R.S., the Parties are empowered to enter into contracts and agreements affecting the affairs of the Parties; and

WHEREAS, the Parties each have the power to have management, control, and supervision of all the business and affairs of the Parties, respectively; and

WHEREAS, the Residential District contracted with OTB Supply Inc, for rough grading and placement of fill for the Godding Creek CLOMR (the "**Work**"); and

WHEREAS, upon completion of the Work, the Residential District submitted a LOMR application; and

WHEREAS, the LOMR application was based on updated hydrologic modeling and improvements to Godding Hollow stream resulting from the Work, and resulting in updated floodplain information; and

WHEREAS, per the 'LOMR Narrative Report' prepared by Entitlement and Engineering Solutions, Inc., dated June 30, 2023, which was submitted and approved by FEMA as part of a LOMR application, the portion of the Residential District and Commercial District located within the 100-year floodplain decreased significantly, resulting in additional developable area within both Districts; and

WHEREAS, Board of Directors of each of the Residential District and Commercial District have reviewed the letter from Kimley-Horn and Associates, Inc., dated July 8, 2024, attached hereto and incorporated herein as **Exhibit A**, (the "**Kimley-Horn Letter**") recommending that the costs for the Work and LOMR application (collectively referred to herein as the "**Costs**") be allocated between the Parties based on acreage; and

WHEREAS, the Parties desire to enter into this Agreement to formalize all understandings and commitments between the Parties with respect to the allocation of the Costs, and the reimbursement by the Commercial District to the Residential District for its allocable share of the Costs.

NOW THEREFORE, in consideration of the promises and mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

COVENANTS AND AGREEMENTS

1. Cost Allocation. The Boards of each of the Districts, having reviewed the Kimley-Horn Letter, the Costs, and the proposed allocation of the Costs, and after reviewing and discussing other cost allocation methodologies, hereby find and determine that the cost allocation methodology as set forth in the Kimley-Horn letter is appropriate, and that the Costs shall be allocated between the Parties based on acreage, as set forth in the Kimley-Horn Letter.

2. Reimbursement. The Parties agree that the Commercial District shall reimburse the Residential District for 14.921% of the Costs, for a total $1,112,587.09 (the "**Commercial Share**") the calculation of which is shown in **Exhibit B,** attached hereto and incorporated herein. The Residential District shall invoice the Commercial District for the Commercial Share within 30 days of the Effective Date (the "**Reimbursement Invoice**"). The Commercial District agrees to pay the Reimbursement Invoice within 30 days of receipt.

3. Entire Agreement and Amendments. This Agreement represents the complete understanding between the Parties. Any amendments must be in writing and signed by both Parties.

4. Notice. Any notice or communication required under this Agreement must be in writing, and shall be given personally, sent via nationally recognized overnight carrier service, or sent by registered or certified mail, return receipt requested. If sent by registered or certified mail, notice will be deemed to have been given and received on the first to occur of: (i) actual receipt by any of the addressees designated below as the party to whom notices are to be sent; or (ii) three days after a registered or certified letter containing such notice, properly addressed, with postage prepaid, is deposited in the United States mail. If personally delivered or sent via nationally recognized overnight carrier service, notice will be deemed to have been given and received on the first to occur of: (i) one business day after being deposited with a nationally recognized overnight air courier service; or (ii) delivery to the party to whom it is addressed. Any party hereto may at any time, by giving written notice to the other party hereto as provided in this Section 4, designate additional persons to whom notice or communications will be given, and designate any other address in substitution of the address to which such notice or communication will be given. Such notice or communications will be given to the parties at their addresses set forth below:

Residential District: Cottonwood Hollow Residential Metropolitan District
c/o Advance HOA Management, Inc.
P.O. Box 370390
Denver, CO 80237
Attention: Amber Fisher

Phone: (303) 482-2213, ext. 367
Email: amber.fisher@advancehoa.com

With a Copy to: WHITE BEAR ANKELE TANAKA & WALDRON
2154 East Commons Avenue, Suite 2000
Centennial, CO 80122
Attention: Clint C. Waldron, Esq.
Phone: (303) 858-1800
Email: cwaldron@wbapc.com

Commercial District: Cottonwood Hollow Commercial Metropolitan District
c/o Alberta Development Partners, LLC
5750 DTC Parkway #210
Greenwood Village, CO 80111
Attention: Dustin Anderson
Phone: (303) 771-4004
Email: dma@albdev.com

With a Copy to: Cottonwood Hollow Commercial Metropolitan District
c/o Seter, Vander Wall & Mielke, P.C.
7400 E. Orchard Road, Suite 3300
Greenwood Village, CO 80111
Attention: Colin Mielke
Phone: 303-770-2700
Email: cmielke@svwpc.com

5. Assignment. The Parties shall not assign this Agreement or parts thereof, or the Parties' respective duties, without the express written consent of the other Party. Any attempt to do so will be null and void.

6. Severability. If any portion of this Agreement is declared by any court of competent jurisdiction to be invalid, void, or unenforceable, such decision shall not affect the validity of any other portion of this Agreement which shall remain in full force and effect, the intention being that such portions are severable. In addition, in lieu of such void or unenforceable provision, there shall automatically be added as part of this Agreement a provision similar in terms to such illegal, invalid, or unenforceable provision so that the resulting reformed provision is legal, valid, and enforceable.

7. Enforcement. This Agreement shall inure to the mutual benefit of the Parties, their respective heirs, successors and permitted assigns, subject to Section 5 hereof, and shall be enforceable according to its terms and conditions under the laws of the State of Colorado.

8. Good Faith of Parties. During the Agreement's performance or when considering any requests, the Parties agree to act in good faith and not unreasonably delay or withhold any required or requested approval, acceptance, consent, or time extension.

9. No Waiver. A waiver of any provision in this Agreement does not imply a waiver of any other provision, nor does it constitute a continuous waiver unless expressly stated. Waiving a default does not mean waiving any future default.

10. Governmental Immunity. This Agreement does not waive, limit, or modify any governmental immunity, including protections under the Colorado Governmental Immunity Act, §§ 24-10-101, *et seq.*, C.R.S., available to the Districts or their respective officials, employees, contractors, agents, or any person acting on their behalf.

11. Open Records. All material under this Agreement may be subject to the Colorado Open Records Act, §§ 24-72-200.1, *et seq.*, C.R.S.

12. Headings for Convenience Only. The provision headings, captions, and titles in this Agreement are for convenience and reference only and are not intended to define, limit, or describe any provisions' scope or intent.

13. Negotiated Provisions. This Agreement shall not be construed more strictly against one Party than against the other merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being acknowledged that each Party has contributed substantially and materially to the preparation of this Agreement.

14. Third Party Beneficiaries. This Agreement does not and is not intended to confer any rights or remedies upon any person or entity other than the Parties to this Agreement. Enforcement of this Agreement and all rights and obligations hereunder are reserved solely to the Parties hereto. Any services or benefits which third parties receive as a result of this Agreement are incidental to this Agreement.

15. Counterpart Execution. The Agreement may be executed in any number of counterparts, each of which when executed and delivered shall be an original, but all such counterparts shall constitute one and the same instrument. Executed copies hereof may be delivered by facsimile or e-mail of a PDF document, and, upon receipt, shall be deemed originals and binding upon the parties hereto. The Parties agree that the electronic signatures of a Party to this Agreement shall be as valid as an original signature of such Party and shall be effective to bind such Party to this Agreement.

[Signature Pages Follow.]

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date first above written. By the signature of its representative below, each Party affirms that it has taken all necessary action to authorize said representative to execute this Agreement.

RESIDENTIAL DISTRICT:

COTTONWOOD HOLLOW RESIDENTIAL METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado

Douglas Hatfield
Douglas Hatfield (Feb 17, 2025 16:28 MST)

Officer

ATTEST:

Dustin Anderson (Feb 14, 2025 15:33 MST)

COMMERCIAL DISTRICT:

COTTONWOOD HOLLOW COMMERCIAL METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado

Douglas Hatfield
Douglas Hatfield (Feb 17, 2025 16:28 MST)

Officer

ATTEST:

Dustin Anderson (Feb 14, 2025 15:33 MST)

EXHIBIT A

Kimley-Horn Letter

Kimley»Horn

July 8, 2024

Board of Directors
Cottonwood Hollow Residential Metropolitan District
c/o White Bear Ankele Tanaka & Waldron
2154 East Commons Avenue – Suite 2000
Centennial, Colorado 80122

RE: Evaluation of LOMR Impact to Cottonwood Hollow Residential and Commercial Metropolitan Districts

Dear Board,

In accordance with the request of the Cottonwood Hollow Residential Metropolitan District ("Residential District") Board, I have evaluated the net impact of the LOMR Application to the developable area of the Cottonwood Hollow Residential Metropolitan District ("Residential District") and the Cottonwood Hollow Commercial Metropolitan District ("Commercial District"). This evaluation is based on information contained within the 'LOMR Narrative Report' prepared by Entitlement and Engineering Solutions, Inc. dated June 30, 2023 which has been submitted and approved by FEMA as part of a LOMR application.

The LOMR application is based on updated hydrologic modeling and improvements to Godding Hollow stream, resulting in updated floodplain information. Per above mentioned report and as depicted on the attached Floodplain Work Map, the portion of the Residential District and Commercial District located within the 100-year floodplain has decreased significantly, resulting in additional developable area within both districts.

Therefore, I recommend the Residential Board approach the Commercial Board regarding participation in the expenses associated with the LOMR application and Godding Hollow stream improvements. The level of participation could reasonably be based on the total acreage of each district.

	Area (in acres)	Percentage of total
Residential District + Director's Parcel	184.412	85.079%
Commercial District + Director's Parcel	32.342	14.921%
Total Area	216.754	100.000%

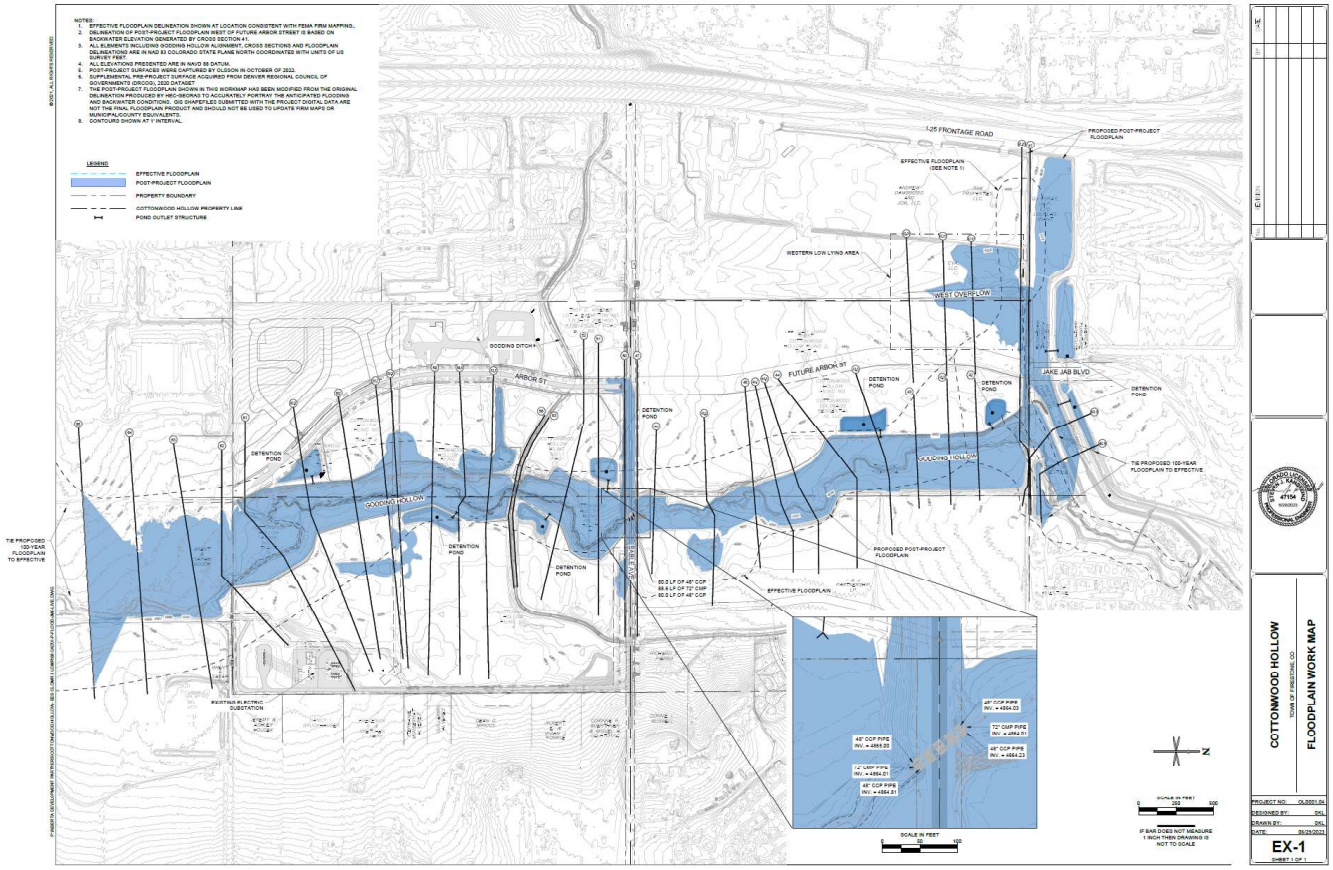
Should you have any questions regarding this matter, please do not hesitate to contact me.

Sincerely,

KIMLEY-HORN AND ASSOCIATES, INC.

By: Daniel L. Skeehan, PE
State of Colorado PE #46391

Attachments: Cottonwood Hollow Residential and Commercial Metropolitan District Map, and Floodplain Work Map


NOTES:
1. EFFECTIVE FLOODPLAIN DELINEATION SHOWN AT LOCATION CONSISTENT WITH FEMA FIRM MAPPING.
2. DELINEATION OF POST-PROJECT FLOODPLAIN WEST OF FUTURE ARBOR STREET IS BASED ON BACKWATER ELEVATION GENERATED BY CROSS SECTION 41.
3. ALL ELEMENTS INCLUDING GODDING HOLLOW ALIGNMENT, CROSS SECTIONS AND FLOODPLAIN DELINEATIONS ARE IN NAD 83 COLORADO STATE PLANE NORTH COORDINATES WITH UNITS OF US SURVEY FEET.
4. ALL ELEVATIONS PRESENTED ARE IN NAVD 88 DATUM.
5. POST-PROJECT SURFACES WERE CAPTURED BY OLSSON IN OCTOBER OF 2022.
6. SUPPLEMENTAL PRE-PROJECT SURFACE ACQUIRED FROM DENVER REGIONAL COUNCIL OF GOVERNMENTS (DRCOG), 2020 DATASET.
7. THE POST-PROJECT FLOODPLAIN SHOWN IN THIS WORKMAP HAS BEEN MODIFIED FROM THE ORIGINAL DELINEATION PRODUCED BY HEC-GEORAS TO ACCURATELY PORTRAY THE ANTICIPATED FLOODING AND BACKWATER CONDITIONS. GIS SHAPEFILES SUBMITTED WITH THE PROJECT DIGITAL DATA ARE NOT THE FINAL FLOODPLAIN PRODUCT AND SHOULD NOT BE USED TO UPDATE FIRM MAPS OR MUNICIPAL/COUNTY EQUIVALENTS.
8. CONTOURS SHOWN AT 1' INTERVAL.
LEGEND:
EFFECTIVE FLOODPLAIN
POST-PROJECT FLOODPLAIN
PROPERTY BOUNDARY
COTTONWOOD HOLLOW PROPERTY LINE
POND OUTLET STRUCTURE
I-25 FRONTAGE ROAD
PROPOSED POST-PROJECT FLOODPLAIN
EFFECTIVE FLOODPLAIN (SEE NOTE 1)
WESTERN LOW LYING AREA
WEST OVERFLOW
GODDING DITCH
ARBOR ST
FUTURE ARBOR ST
DETENTION POND
JAKE JAB BLVD
GODDING HOLLOW
TIE PROPOSED 100-YEAR FLOODPLAIN TO EFFECTIVE
EXISTING ELECTRIC SUBSTATION
50.0 LF OF 48" CCP
88.6 LF OF 72" CMP
50.0 LF OF 48" CCP
48" CCP PIPE INV. = 4864.23
72" CMP PIPE INV. = 4864.01
48" CCP PIPE INV. = 4864.23
48" CCP PIPE INV. = 4865.00
72" CMP PIPE INV. = 4864.01
48" CCP PIPE INV. = 4864.01
SCALE IN FEET
IF BAR DOES NOT MEASURE 1 INCH THEN DRAWING IS NOT TO SCALE
COTTONWOOD HOLLOW
TOWN OF PARKER, CO
FLOODPLAIN WORK MAP
PROJECT NO: OLS001.04
DESIGNED BY: DKL
DRAWN BY: DKL
DATE: 05/23/2023
EX-1
SHEET 1 OF 1

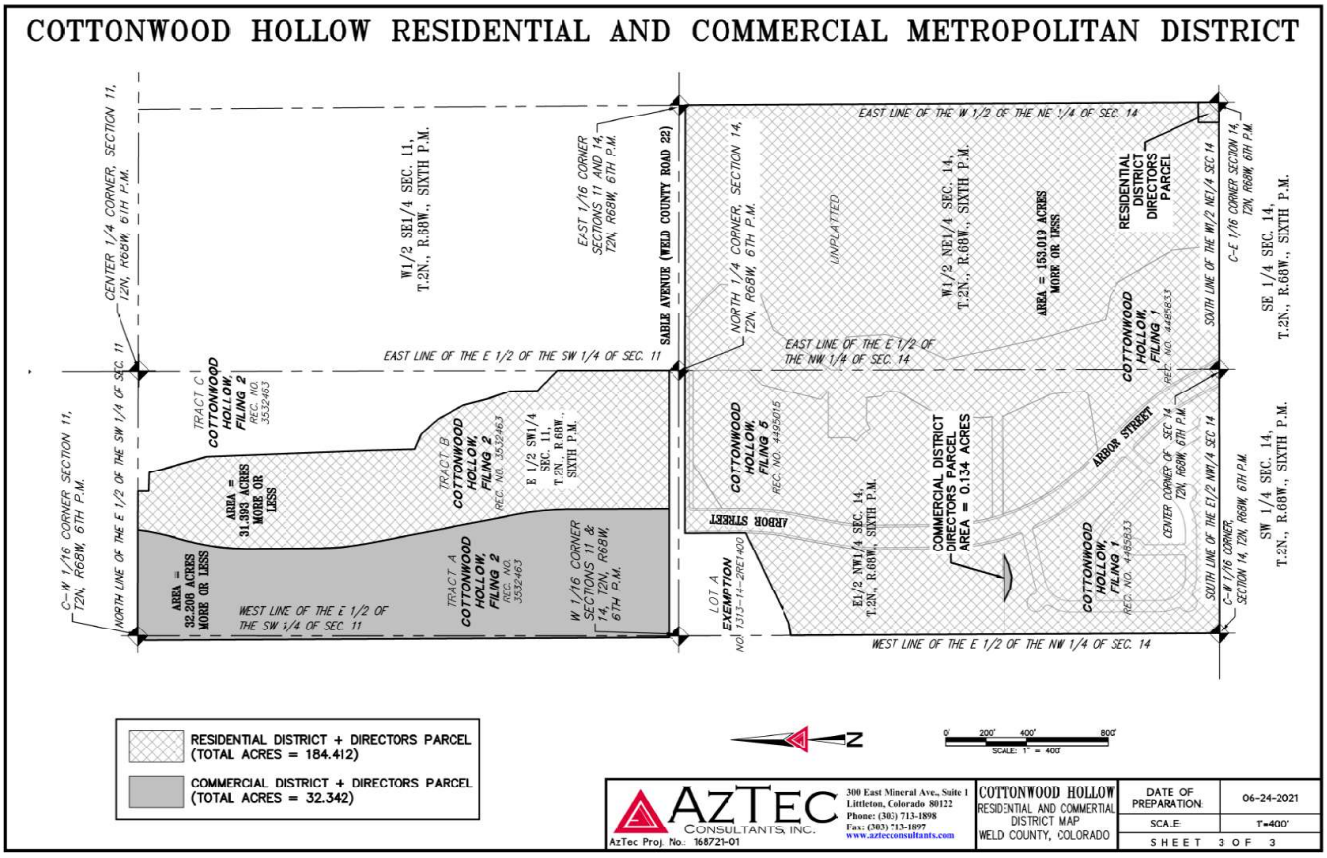

COTTONWOOD HOLLOW RESIDENTIAL AND COMMERCIAL METROPOLITAN DISTRICT
CENTER 1/4 CORNER, SECTION 11, T2N, R68W, 6TH P.M.
W1/2 SE1/4 SEC. 11, T.2N., R.68W., SIXTH P.M.
EAST 1/16 CORNER SECTIONS 11 AND 14, T2N, R68W, 6TH P.M.
SABLE AVENUE (WELD COUNTY ROAD 22)
NORTH 1/4 CORNER, SECTION 14, T2N, R68W, 6TH P.M.
EAST LINE OF THE W 1/2 OF THE NE 1/4 OF SEC. 14
UNPLATTED
W1/2 NE1/4 SEC. 14, T.2N., R.68W., SIXTH P.M.
AREA = 153.019 ACRES MORE OR LESS
RESIDENTIAL DISTRICT DIRECTORS PARCEL
C-E 1/16 CORNER SECTION 14, T2N, R68W, 6TH P.M.
SE 1/4 SEC. 14, T.2N., R.68W., SIXTH P.M.
SOUTH LINE OF THE W1/2 NE1/4 SEC 14
EAST LINE OF THE E 1/2 OF THE SW 1/4 OF SEC. 11
EAST LINE OF THE E 1/2 OF THE NW 1/4 OF SEC. 14
C-W 1/16 CORNER SECTION 11, T2N, R68W, 6TH P.M.
NORTH LINE OF THE E 1/2 OF THE SW 1/4 OF SEC. 11
TRACT C COTTONWOOD HOLLOW, FILING 2 REC. NO. 3532463
AREA = 31.393 ACRES MORE OR LESS
TRACT B COTTONWOOD HOLLOW, FILING 2 REC. NO. 3532463
E 1/2 SW1/4 SEC. 11, T.2N., R.68W., SIXTH P.M.
COTTONWOOD HOLLOW, FILING 5 REC. NO. 4495015
COTTONWOOD HOLLOW, FILING 1 REC. NO. 4495833
ARBOR STREET
COMMERCIAL DISTRICT DIRECTORS PARCEL AREA = 0.134 ACRES
CENTER CORNER OF SEC 14 T2N, R68W, 6TH P.M.
AREA = 32.206 ACRES MORE OR LESS
TRACT A COTTONWOOD HOLLOW, FILING 2 REC. NO. 3532463
W 1/16 CORNER SECTIONS 11 & 14, T2N, R68W, 6TH P.M.
WEST LINE OF THE E 1/2 OF THE SW 1/4 OF SEC. 11
LOT A EXEMPTION NO. 1313-14-2RE1400
E1/2 NW1/4 SEC. 14, T.2N., R.68W., SIXTH P.M.
COTTONWOOD HOLLOW, FILING 1 REC. NO. 4495833
SOUTH LINE OF THE E1/2 NW1/4 SEC 14
C-W 1/16 CORNER, SECTION 14, T2N, R68W, 6TH P.M.
SW 1/4 SEC. 14, T.2N., R.68W., SIXTH P.M.
WEST LINE OF THE E 1/2 OF THE NW 1/4 OF SEC. 14
RESIDENTIAL DISTRICT + DIRECTORS PARCEL (TOTAL ACRES = 184.412)
COMMERCIAL DISTRICT + DIRECTORS PARCEL (TOTAL ACRES = 32.342)
N
0' 200' 400' 800'
SCALE: 1" = 400'
AzTec Consultants, Inc.
AzTec Proj. No.: 168721-01
300 East Mineral Ave., Suite 1
Littleton, Colorado 80122
Phone: (303) 713-1898
Fax: (303) 713-1897
www.aztecconsultants.com
COTTONWOOD HOLLOW
RESIDENTIAL AND COMMERCIAL
DISTRICT MAP
WELD COUNTY, COLORADO
DATE OF PREPARATION: 06-24-2021
SCALE: 1"=400'
SHEET 3 OF 3

EXHIBIT B

Cost Allocation Between Cottonwood Hollow Residential and Commercial Metropolitan Districts

The below is in accordance with the Kimley Horn Evaluation of LOMR Impact to Cottonwood Hollow Residential and Commercial Metropolitan Districts Dated July 8, 2024

	Area (in Acres)	Percentage of Total
Residential District + Directors Parcel	184.412	85.079%
Commercial District + Directors Parcel	32.342	14.921%
Total	216.754	100.000%

Costs directly related to LOMR	
OTB - Total Contract	$ 7,330,486.97
Olsson - Floodplain Management	118,000.00
FEMA Fee	8,000.00
Total	**$ 7,456,486.97**
	14.921%
Total Costs to reimburse Cottonwood Hollow Residential	**$ 1,112,587.09**

Exhibit A
2025 Budget

COTTONWOOD HOLLOW RESIDENTIAL METRO DISTRICT

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2025

COTTONWOOD HOLLOW RESIDENTIAL METROPOLITAN DISTRICT
SUMMARY
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,

1/26/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	$ 4,256,128	$ 3,153,360	$ 1,284,687
REVENUES			
Property taxes	408,742	654,783	346,421
Specific ownership taxes	30,557	37,634	25,856
Interest Income	201,655	45,042	37,700
Developer advance	126,343	-	-
Other Revenue	-	686	-
Intergovernmental revenues	-	1,112,587	-
TIF Revenue	300,549	476,167	299,979
Total revenues	1,067,846	2,326,899	709,956
Total funds available	5,323,974	5,480,259	1,994,643
EXPENDITURES			
General Fund	184,435	160,829	183,400
Debt Service Fund	635,415	1,007,079	580,270
Capital Projects Fund	1,350,764	3,027,664	1,227,742
Total expenditures	2,170,614	4,195,572	1,991,412
Total expenditures and transfers out requiring appropriation	2,170,614	4,195,572	1,991,412
ENDING FUND BALANCES	$ 3,153,360	$ 1,284,687	$ 3,231
EMERGENCY RESERVE	$ 3,600	$ 5,600	$ 3,200
TOTAL RESERVE	$ 3,600	$ 5,600	$ 3,200

No assurance provided. See summary of significant assumptions.

COTTONWOOD HOLLOW RESIDENTIAL METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,

1/26/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
ASSESSED VALUATION			
Residential	$ 126,310	$ 1,243,360	$ 2,492,660
Commercial	11,050	11,620	-
Oil and Gas	10,080,620	14,786,760	5,598,040
Agricultural	31,570	30,340	30,340
State assessed	8,880	48,190	5,660
Vacant land	464,220	17,620	9,250
Personal property	277,170	-	1,138,610
Other		-	
	10,999,820	16,137,890	9,274,560
TIF District Increment	(4,671,037)	(6,993,506)	(4,304,109)
Certified Assessed Value	$ 6,328,783	$ 9,144,384	$ 4,970,451
MILL LEVY			
General	10.006	10.366	10.677
Debt Service	55.315	57.301	59.019
Total mill levy	65.321	67.667	69.696
PROPERTY TAXES			
General	$ 63,326	$ 94,791	$ 53,070
Debt Service	350,077	523,982	293,351
Levied property taxes	413,403	618,773	346,421
Adjustments to actual/rounding	(4,661)	36,010	-
Budgeted property taxes	$ 408,742	$ 654,783	$ 346,421
ASSESSED VALUATION			
TIF District Increment	$ 4,671,037	$ 6,993,506	$ 4,304,109
Certified Assessed Value	$ 4,671,037	$ 6,993,506	$ 4,304,109
MILL LEVY			
General	10.006	10.366	10.677
Debt Service	55.315	57.301	59.019
Total mill levy	65.321	67.667	69.696
PROPERTY TAXES			
General	$ 46,738	$ 72,495	$ 45,955
Debt Service	258,378	400,735	254,024
Budgeted property taxes	$ 305,116	$ 473,230	$ 299,979
BUDGETED PROPERTY TAXES			
General	**$ 62,612**	**$ 100,307**	**$ 53,070**
Debt Service	**346,130**	**554,476**	**293,351**
	$ 408,742	**$ 654,783**	**$ 346,421**

COTTONWOOD HOLLOW RESIDENTIAL METROPOLITAN DISTRICT
GENERAL FUND
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,

1/26/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	$ 5	$ 59,340	$ 81,945
REVENUES			
Property taxes	62,612	100,307	53,070
Specific ownership taxes	4,681	5,766	3,961
TIF Revenue	46,039	72,945	45,955
Interest Income	4,095	3,730	1,700
Other Revenue	-	686	-
Developer advance	126,343	-	-
Total revenues	243,770	183,434	104,686
TRANSFERS IN			
Total funds available	243,775	242,774	186,631
EXPENDITURES			
General and administrative			
Accounting	58,821	42,716	44,000
Auditing	12,000	3,000	3,000
County Treasurer's Fee	939	2,509	1,485
Directors' fees	1,500	2,400	1,500
Dues and Membership	358	443	500
Insurance	6,030	6,631	7,000
District management	2,000	5,000	6,000
Legal	37,525	22,708	25,000
Miscellaneous	392	692	400
Election	1,733	-	5,000
Website	-	-	2,000
Contingency	-	-	315
Operations and maintenance			
Repairs and maintenance	5,888	-	3,200
Irrigation	-	-	7,000
Landscaping	35,427	59,348	50,000
Pest control	-	-	2,000
Snow removal	4,940	2,782	10,000
Utilities	16,882	12,600	15,000
Total expenditures	184,435	160,829	183,400
TRANSFERS OUT			
Total expenditures and transfers out requiring appropriation	184,435	160,829	183,400
ENDING FUND BALANCES	$ 59,340	$ 81,945	$ 3,231
EMERGENCY RESERVE	$ 3,600	$ 5,600	$ 3,200
TOTAL RESERVE	$ 3,600	$ 5,600	$ 3,200

No assurance provided. See summary of significant assumptions.

COTTONWOOD HOLLOW RESIDENTIAL METROPOLITAN DISTRICT
DEBT SERVICE FUND
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,

1/26/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	$ 2,092	$ 6,511	$ -
REVENUES			
Property taxes	346,130	554,476	293,351
Specific ownership taxes	25,876	31,868	21,895
TIF Revenue	254,510	403,222	254,024
Interest Income	13,318	11,002	11,000
Other Revenue	-	-	-
Total revenues	639,834	1,000,568	580,270
Total funds available	641,926	1,007,079	580,270
EXPENDITURES			
General and administrative			
County Treasurer's Fee	5,192	13,871	8,211
Paying agent fees	4,000	4,000	4,000
Contingency	-	-	2,059
Debt Service			
Bond interest	626,223	989,208	566,000
Total expenditures	635,415	1,007,079	580,270
Total expenditures and transfers out requiring appropriation	635,415	1,007,079	580,270
ENDING FUND BALANCES	$ 6,511	$ -	$ -

COTTONWOOD HOLLOW RESIDENTIAL METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,

1/26/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	$ 4,254,031	$ 3,087,509	$ 1,202,742
REVENUES			
Interest Income	184,242	30,310	25,000
Intergovernmental revenues	-	1,112,587	-
Total revenues	184,242	1,142,897	$ 25,000
Total funds available	4,438,273	4,230,406	$ 1,227,742
EXPENDITURES			
General and Administrative			
Accounting	22,764	9,636	9,000
Legal	10,945	8,268	24,000
Paying agent fees	-	5,000	5,000
Capital Projects			
Engineering	6,662	4,760	4,000
Capital outlay	1,310,393	3,000,000	1,185,742
Total expenditures	1,350,764	3,027,664	$ 1,227,742
Total expenditures and transfers out requiring appropriation	1,350,764	3,027,664	1,227,742
ENDING FUND BALANCES	$ 3,087,509	$ 1,202,742	$ -

No assurance provided. See summary of significant assumptions.

COTTONWOOD HOLLOW RESIDENTIAL METRO DISTRICT
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

Cottonwood Hollow Residential 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 Second Amended and Restated Service Plan approved by the Town on May 26, 2021. 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 6, 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 55.664 mills for debt service purposes and shall not exceed 10.070 mills for administration and operating expenses. If, on or after January 1, 2021, 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 69.696 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 RESIDENTIAL METRO DISTRICT
2025 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.

For property tax collection year 2025, SB22-238, SB23B-001, SB 24-233 and HB24B-1001 set the assessment rates and actual value reductions as follows:

Category	Rate		Category	Rate		Actual Value Reduction	Amount
Single-Family Residential	6.70%		Agricultural Land	26.40%		Single-Family Residential	$55,000
Multi-Family Residential	6.70%		Renewable Energy Land	26.40%		Multi-Family Residential	$55,000
Commercial	27.90%		Vacant Land	27.90%		Commercial	$30,000
Industrial	27.90%		Personal Property	27.90%		Industrial	$30,000
Lodging	27.90%		State Assessed	27.90%		Lodging	$30,000
			Oil & Gas Production	87.50%			

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 4% 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 4%.

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.

COTTONWOOD HOLLOW RESIDENTIAL METRO DISTRICT
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

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.

County Treasurer's Fees

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

Debt Service

There is no debt amortization schedule provided for the Series 2021(3) Bonds (discussed under Debt and Leases) as the Bonds are cash flow bonds and the timing of payments are unknown.

Capital Outlay

The District anticipates infrastructure improvements as noted in the Capital Projects fund.

Debt and Leases

In June 2021, the District issued $30,147,000 in Series 2021(3) Limited Tax Obligation Bonds. The Bonds shall constitute limited tax general obligations of the District secured by and payable from the pledged revenues. The Bonds are cash flow bonds due on December 15, 2051 at an interest rate of 5.00%.

The District has 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.