

**COTTONWOOD TOWNHOMES METROPOLITAN DISTRICT
2026 Budget**

GENERAL FUND

	<u>2024 Actual</u>	<u>2025 Estimated</u>	<u>2026 Adopted</u>
Beginning Funds Available	0	0 \$	8,805
<u>Revenue and Other Financing Sources</u>			
Property Taxes	0	8,307 \$	15,409
Specific Ownership Taxes	0	498 \$	770
Developer Advances	11,453	26,815	15,000
Total Revenue	11,453	35,620	31,180
Total Funds Available	11,453	35,620	39,985
<u>Expenditures</u>			
Administrative	476	0	0
Contract Services (incl. HOA)	0	0	0
Insurance and SDA Membership	4,233	2,400	2,400
Accounting and Legal Fees	6,262	24,000	24,000
Audit	0	0	10,000
Elections	0	0	0
Repair and Maintenance	0	0	0
Supplies	0	0	0
Capital Outlay / Transfer to Capital Reserve	0	0	0
Repayment of Developer Advance	0	0	0
County Treasurer's Fees	0	415 \$	231
Dues	0	0	0
Directors' Fees	0	0	0
Other	482	0	0
Total Expenditures	<u>11,453</u>	<u>26,815</u>	<u>36,631</u>
Ending Fund Balance	0 \$	8,805 \$	3,354
Emergency Reserve	N/A	\$ 249	\$ 462
Ending Available Funds	0	8,556	2,891

CAPITAL PROJECTS FUND

Beginning Funds Available	n/a	0	n/a
Developer Advances	n/a	5,500,000	n/a
Bond Issuance	n/a	-5,500,000	n/a
Capital Reserve (Street Maintenance)	n/a	0	0
Ending Fund Balance	n/a	0	n/a

DEBT SERVICE FUND

	<u>2024 Actual</u>	<u>2025 Estimated</u>	<u>2026 Adopted</u>
Beginning Fund Balance	0	0	0
<u>Revenue and Other Financing Sources</u>			
Property Tax Revenue	n/a	n/a	\$ 57,854
Specific Ownership Tax Revenue	n/a	n/a	\$ 2,893
Interest / Other Income	n/a	n/a	0
Total Revenue	n/a	n/a	60,746
Total Funds Available	n/a	n/a	60,746
<u>Expenditures</u>			
Treasurer Fees	n/a	n/a	868
Paying Agent Fees	n/a	n/a	3,000
Principal - Series 2025 Bond	n/a	n/a	0
Interest - Series 2025 Bond	n/a	n/a	40,944
Total Expenditures	n/a	n/a	44,812
Ending Fund Balance	n/a	n/a	15,935

PROPERTY TAXES

	<u>2024 Actual</u>	<u>2025 Certified</u>	<u>2026 Adopted</u>
Assessed Valuation	\$ 130,100	\$ 133,580	\$ 908,520
Mill Levy-General	0	62.187	16.961
Mill Levy-Debt	0	0	63.679
Total mill levy	0.000	62.187	80.640

**COTTONWOOD TOWNHOMES METROPOLITAN DISTRICT
BUDGET MESSAGE**

SUMMARY OF SIGNIFICANT ASSUMPTIONS

Disclosures contained in this budget message, as presented by management, are those that are believed to be significant as of the date that the Budget is filed with the Division of Local Government and are not intended to be all inclusive. The disclosures are intended to describe assumptions used during the preparation of the annual Budget. Actual results may differ from the prospective results contained in the Budget.

Services Provided. The District was organized to provide financing, construction, installation, acquisition, and operation of certain public improvements and facilities pursuant to its service plan and applicable law. Such public improvements and facilities include, among other things, streets, street lighting, traffic and safety controls, water improvements, sanitary sewer and storm drainage improvements, landscaping, and park and recreation improvements. The District has no employees, and all operations and administrative functions are contracted. The District prepares its budget on the modified accrual basis of accounting.

Revenue. The primary source of funds for operations, administration and capital expenditures during the budget year is property taxes. The District anticipates revenue that is subject to TABOR, and therefore the Budget contains a TABOR emergency reserve fund equal to 3 percent of expenditures.

Administrative Expenses. Administrative expenses have been budgeted based on estimates of the District's Board of Directors and consultants to include services necessary to maintain the District's administrative viability, such as legal, accounting, managerial, general engineering, insurance, meeting expenses, and other administrative costs and expenses.