

HIDDEN CREEK METROPOLITAN DISTRICT

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2026

**HIDDEN CREEK METROPOLITAN DISTRICT
SUMMARY
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,**

1/27/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ (6,533)	\$ 41,044	\$ 34,723
REVENUES			
Property taxes	472,914	548,963	622,897
Property taxes - Contribution Mill Levy	27,103	28,418	32,776
Specific ownership taxes	17,147	24,300	24,915
Specific ownership tax - Contribution Mill Levy	983	1,216	1,311
Interest Income	7,524	12,500	6,500
Developer advance	19,000	-	-
Other Revenue	2,985	-	10,000
Total revenues	<u>547,656</u>	<u>615,397</u>	<u>698,399</u>
Total funds available	<u>541,123</u>	<u>656,441</u>	<u>733,122</u>
EXPENDITURES			
General Fund	73,918	95,000	105,000
Debt Service Fund	426,160	521,000	585,000
Capital Projects Fund	-	5,718	-
Total expenditures	<u>500,078</u>	<u>621,718</u>	<u>690,000</u>
Total expenditures and transfers out requiring appropriation	<u>500,078</u>	<u>621,718</u>	<u>690,000</u>
ENDING FUND BALANCES	<u>\$ 41,044</u>	<u>\$ 34,723</u>	<u>\$ 43,122</u>
EMERGENCY RESERVE	\$ 2,900	\$ 3,100	\$ 3,400
AVAILABLE FOR OPERATIONS	25,949	30,876	38,108
TOTAL RESERVE	<u>\$ 28,849</u>	<u>\$ 33,976</u>	<u>\$ 41,508</u>

See summary of significant assumptions.

**HIDDEN CREEK METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,**

1/27/26

ACTUAL	ESTIMATED	BUDGET
2024	2025	2026

ASSESSED VALUATION

Residential	\$ 4,144,240	\$ 5,743,830	\$ 6,925,160
Commercial	10,280	8,620	7,790
Oil and Gas	133,120	96,890	101,240
State assessed	84,500	86,060	144,980
Vacant land	4,675,950	3,537,320	3,746,170
Certified Assessed Value	\$ 9,048,090	\$ 9,472,720	\$ 10,925,340

MILL LEVY

General	10.000	10.000	9.772
Debt Service	42.346	47.952	47.242
Contribution	3.000	3.000	3.000
Total mill levy	55.346	60.952	60.014

PROPERTY TAXES

General	\$ 90,481	\$ 94,727	\$ 106,762
Debt Service	383,150	454,236	516,135
ARI	27,144	28,418	32,776
Levied property taxes	500,775	577,381	655,673
Adjustments to actual/rounding	(758)	-	-
Budgeted property taxes	\$ 500,017	\$ 577,381	\$ 655,673

BUDGETED PROPERTY TAXES

General	\$ 90,344	\$ 94,727	\$ 106,762
Debt Service	382,570	454,236	516,135
ARI	27,103	28,418	32,776
	\$ 500,017	\$ 577,381	\$ 655,673

See summary of significant assumptions.

**HIDDEN CREEK METROPOLITAN DISTRICT
GENERAL FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,**

1/27/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ (12,839)	\$ 28,849	\$ 33,976
REVENUES			
Property taxes	90,344	94,727	106,762
Specific ownership taxes	3,276	4,200	4,270
Interest Income	2	1,200	1,500
Developer advance	19,000	-	-
Other Revenue	2,985	-	-
Total revenues	115,607	100,127	112,532
Total funds available	102,768	128,976	146,508
EXPENDITURES			
General and administrative			
Accounting	33,583	35,000	37,000
Auditing	5,500	5,700	6,000
County Treasurer's Fee	1,363	1,421	1,601
Dues and Membership	356	363	500
Insurance	3,745	3,605	4,200
District management	13,623	18,000	20,000
Legal	14,609	20,000	30,000
Election	-	4,966	-
Website	1,139	2,000	2,000
Contingency	-	3,945	3,699
Total expenditures	73,918	95,000	105,000
Total expenditures and transfers out requiring appropriation	73,918	95,000	105,000
ENDING FUND BALANCES	\$ 28,849	\$ 33,976	\$ 41,508
EMERGENCY RESERVE	\$ 2,900	\$ 3,100	\$ 3,400
AVAILABLE FOR OPERATIONS	25,949	30,876	38,108
TOTAL RESERVE	\$ 28,849	\$ 33,976	\$ 41,508

See summary of significant assumptions.

**HIDDEN CREEK METROPOLITAN DISTRICT
DEBT SERVICE FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,**

1/27/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 1,153	\$ 6,777	\$ 747
REVENUES			
Property taxes	382,570	454,236	516,135
Property taxes - Contribution Mill Levy	27,103	28,418	32,776
Specific ownership taxes	13,871	20,100	20,645
Specific ownership tax - Contribution Mill Levy	983	1,216	1,311
Interest Income	7,257	11,000	5,000
Other Revenue	-	-	10,000
Total revenues	431,784	514,970	585,867
Total funds available	432,937	521,747	586,614
EXPENDITURES			
General and administrative			
County Treasurer's Fee	5,773	6,814	7,742
County Treasurer's fee - Contribution Mill Levy	409	426	492
Transfer to the Town of Frederick	27,650	29,208	33,595
Paying agent fees	4,000	5,500	6,000
Contingency	-	5,052	9,171
Debt Service			
Bond interest - Series 2021A	388,328	474,000	528,000
Total expenditures	426,160	521,000	585,000
Total expenditures and transfers out requiring appropriation	426,160	521,000	585,000
ENDING FUND BALANCES	\$ 6,777	\$ 747	\$ 1,614

See summary of significant assumptions.

**HIDDEN CREEK METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,**

1/27/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 5,153	\$ 5,418	\$ -
REVENUES			
Interest Income	265	300	-
Total revenues	265	300	-
Total funds available	5,418	5,718	-
EXPENDITURES			
Repay developer advance	-	5,718	-
Total expenditures	-	5,718	-
Total expenditures and transfers out requiring appropriation	-	5,718	-
ENDING FUND BALANCES	\$ 5,418	\$ -	\$ -

See summary of significant assumptions.

**HIDDEN CREEK METROPOLITAN DISTRICT
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

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 for the Town of Frederick on December 8, 2015, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District's service area is located in the Town of Frederick.

The District was established to provide financing for the design, acquisition, installation, construction and completion of public improvements and services, including water, sanitation, street, safety protection, park and recreation, transportation, television relay and translation and mosquito control improvements and services.

On November 3, 2015, the District's voters authorized total indebtedness of \$110,000,000 for the above listed facilities. The District's voters also authorized total indebtedness of \$10,000,000 each for debt refunding and debt related to intergovernmental agreements or other contracts with other public entities. The election also approved an annual increase in property taxes of \$500,000 without limitation of rate, to pay the District's operation and maintenance costs.

In the future, the District may issue a portion or all of the remaining authorized but unissued general obligation debt for purposes of providing public improvements to support development as it occurs within the District's service area, however, as of the date of this budget, the amount and timing of any debt issuances is not determinable.

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

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.

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 District's maximum Required Mill Levy is 50.000 mills, adjusted for changes in the ratio of actual value to assessed value of property within the District.

**HIDDEN CREEK METROPOLITAN DISTRICT
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (continued)

Property Taxes (continued)

For property tax collection year 2026, HB24B-1001 set the assessment rates as follows:

Category	Rate	Category	Rate
Single-Family Residential	6.25%	Agricultural Land	27.00%
Multi-Family Residential	6.25%	Renewable Energy Land	27.00%
Commercial	27.00%	Vacant Land	27.00%
Industrial	27.00%	Personal Property	27.00%
Lodging	27.00%	State Assessed	27.00%
		Oil & Gas Production	87.50%

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 4% of the property taxes collected.

Interest Income

Interest earned on the District's available funds has been estimated based on historical interest earnings.

Expenditures

Administrative and Operating Expenditures

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

County Treasurer's Fees

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

Capital Outlay

The District does not anticipate infrastructure improvements in 2026 as noted in the Capital Projects fund.

**HIDDEN CREEK METROPOLITAN DISTRICT
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases

Proceeds of the Bonds

The District issued Bonds on July 15, 2021, in the par amount of \$8,000,000. Proceeds from the sale of the Bonds were used to finance and reimburse a portion of the costs of public infrastructure improvements related to the Development and to pay the costs of issuing the Bonds.

The Bonds bear interest at the rate of 4.625% per annum and are payable annually on December 1, beginning on December 1, 2021, but only to the extent of available Pledged Revenue. The Bonds mature on December 1, 2045 and are subject to mandatory redemption to the extent of available Pledged Revenue.

The Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest. Unpaid interest on the Bonds compounds annually on each December 1 at the rate borne by the Bonds. In the event any amount of principal or interest on the Bonds remains unpaid after the application of all Pledged Revenue available therefor on December 1, 2061 (the "Discharge Date"), such amounts shall be deemed discharged and no longer due and outstanding.

Optional Redemption

The Bonds are subject to redemption prior to maturity, at the option of the District, on September 1, 2026, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium equal to a percentage of the principal amount so redeemed, as follows:

<u>Date of Redemption</u>	<u>Redemption Premium</u>
September 1, 2026, to August 31, 2027	3.00%
September 1, 2027, to August 31, 2028	2.00
September 1, 2028, to August 31, 2029	1.00
September 1, 2029, and thereafter	0.00

**HIDDEN CREEK METROPOLITAN DISTRICT
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases (continued)

Schedule of Long-term Obligations

	Balance - December 31, 2024	Additions	Reductions	Balance - December 31, 2025
Limited Tax General				
Obligation Bonds:				
Senior - Series 2021A	\$ 8,000,000	\$ -	\$ -	\$ 8,000,000
Accrued Interest on				
Senior - Series 2021A	769,489	404,681	474,000	700,170
Developer Advances - Prior Costs	84,839	-	-	84,839
Developer Advances - O&M	142,530	-	-	142,530
Developer Advances - Infrastructure	2,600,962	-	-	2,600,962
Accrued Interest on				
Developer Advances - Prior Costs	30,719	6,787	-	37,506
Developer Advances - O&M	24,416	11,402	-	35,818
Accrued Interest on Developer Advances - Infrastructure	1,376,299	189,498	-	1,565,797
Total	<u>\$ 13,029,254</u>	<u>\$ 612,368</u>	<u>\$ 474,000</u>	<u>\$ 13,167,622</u>
	Balance -			Balance -
	December 31,			December 31,
	2025	Additions	Reductions	2026
Limited Tax General				
Obligation Bonds:				
Senior - Series 2021A	\$ 8,000,000	\$ -	\$ -	\$ 8,000,000
Accrued Interest on				
Senior - Series 2021A	700,170	400,999	528,000	573,169
Developer Advances - Prior Costs	84,839	-	-	84,839
Developer Advances - O&M	142,530	-	-	142,530
Developer Advances - Infrastructure	2,600,962	-	-	2,600,962
Accrued Interest on				
Developer Advances - Prior Costs	37,506	6,787	-	44,293
Developer Advances - O&M	35,818	11,402	-	47,220
Accrued Interest on Developer Advances - Infrastructure	1,565,797	189,498	-	1,755,295
Total	<u>\$ 13,167,622</u>	<u>\$ 608,686</u>	<u>\$ 528,000</u>	<u>\$ 13,248,308</u>

This District has no operating or capital leases.

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.