

**RESOLUTION NO. 2025-11-03**

**RESOLUTION TO ADOPT BUDGET AND APPROPRIATE SUMS OF MONEY  
RESOLUTION OF THE BOARD OF DIRECTORS OF ARROWHEAD COLORADO  
METROPOLITAN DISTRICT, DOUGLAS COUNTY, COLORADO, PURSUANT TO  
SECTION 29-1-108, C.R.S., SUMMARIZING EXPENDITURES AND REVENUES FOR  
EACH FUND, ADOPTING A BUDGET AND APPROPRIATING SUMS OF MONEY  
FOR THE BUDGET YEAR 2026**

A. The Board of Directors of Arrowhead Colorado Metropolitan District (the “**District**”) has appointed CliftonLarsonAllen LLP to prepare and submit a proposed budget to said governing body at the proper time.

B. CliftonLarsonAllen LLP has submitted a proposed budget to this governing body for its consideration on or before October 15, 2025.

C. Upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on November 6, 2025, and interested taxpayers were given the opportunity to file or register any objections to said proposed budget.

D. The budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, reserve transfers and expenditure exemptions, under Article X, Section 20 of the Colorado Constitution (“**TABOR**”) and other laws or obligations which are applicable to or binding upon the District.

E. Whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law.

F. The Board of Directors has made provision therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget.

G. It is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, thereby establishing a limitation on expenditures for the operations of the District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF ARROWHEAD COLORADO METROPOLITAN DISTRICT, DOUGLAS COUNTY, COLORADO:

1. The budget, as submitted, amended, and summarized by fund, is hereby approved and adopted as the budget of the District for the year stated above.

2. The budget is hereby approved and adopted, shall be certified by the Secretary of the District to all appropriate agencies and is made a part of the public records of the District.

3. The sums set forth as the total expenditures of each fund in the budget attached hereto as **Exhibit A** and incorporated herein by reference are hereby appropriated from the revenues of each fund, within each fund, for the purposes stated.

**[SIGNATURE PAGE FOLLOWS]**

**[SIGNATURE PAGE TO RESOLUTION TO ADOPT  
BUDGET AND APPROPRIATE SUMS OF MONEY]**

RESOLUTION APPROVED AND ADOPTED ON NOVEMBER 6, 2025.

**ARROWHEAD COLORADO  
METROPOLITAN DISTRICT**

By: Marcus Pachner  
President

Attest:

By: Cary Clark  
Secretary

# EXHIBIT A

## Budget

**ARROWHEAD COLORADO METROPOLITAN DISTRICT**  
**ANNUAL BUDGET**  
**FOR THE YEAR ENDING DECEMBER 31, 2026**

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

12/19/25

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	-	-	8,618
Specific ownership taxes	-	-	646
Developer advance	-	515,000	516,036
Total revenues	<u>-</u>	<u>515,000</u>	<u>525,300</u>
Total funds available	<u>-</u>	<u>515,000</u>	<u>525,300</u>
EXPENDITURES			
General Fund	-	60,000	70,000
Capital Projects Fund	-	455,000	455,000
Total expenditures	<u>-</u>	<u>515,000</u>	<u>525,000</u>
TRANSFERS OUT	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>515,000</u>	<u>525,000</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 300</u>
EMERGENCY RESERVE AVAILABLE FOR OPERATIONS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 300</u>
TOTAL RESERVE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 300</u>

See summary of significant assumptions.

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

12/19/25

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
<b>ASSESSED VALUATION</b>			
Vacant land	\$ -	\$ -	\$ 834,030
Certified Assessed Value	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 834,030</u>
<b>MILL LEVY</b>			
General	0.000	0.000	10.333
Total mill levy	<u>0.000</u>	<u>0.000</u>	<u>10.333</u>
<b>PROPERTY TAXES</b>			
General	\$ -	\$ -	\$ 8,618
Levied property taxes	-	-	8,618
Budgeted property taxes	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,618</u>
<b>BUDGETED PROPERTY TAXES</b>			
General	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,618</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,618</u>

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

12/19/25

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	-	-	8,618
Specific ownership taxes	-	-	646
Developer advance	-	60,000	61,036
Total revenues	<u>-</u>	<u>60,000</u>	<u>70,300</u>
Total funds available	<u>-</u>	<u>60,000</u>	<u>70,300</u>
EXPENDITURES			
General and administrative			
Accounting	-	22,000	25,000
County Treasurer's Fee	-	-	129
Dues and Membership	-	200	300
Insurance	-	2,526	2,800
Legal	-	30,000	33,000
Miscellaneous	-	1,617	500
Election	-	657	3,000
District Specific Account	-	-	-
Website	-	3,000	3,000
Contingency	-	-	2,271
Total expenditures	<u>-</u>	<u>60,000</u>	<u>70,000</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>60,000</u>	<u>70,000</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 300</u>
EMERGENCY RESERVE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 300</u>
TOTAL RESERVE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 300</u>

See summary of significant assumptions.



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

12/19/25

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Developer advance	-	455,000	455,000
Total revenues	<u>-</u>	<u>455,000</u>	<u>455,000</u>
TRANSFERS IN			
Total funds available	<u>-</u>	<u>455,000</u>	<u>455,000</u>
EXPENDITURES			
General and Administrative			
Legal	-	170,000	170,000
Contingency	-	160,000	160,000
Capital Projects			
Capital outlay	-	125,000	125,000
Total expenditures	<u>-</u>	<u>455,000</u>	<u>455,000</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>455,000</u>	<u>455,000</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See summary of significant assumptions.

**ARROWHEAD COLORADO METROPOLITAN DISTRICT  
2026 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

Arrowhead Colorado Metropolitan District (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 Douglas County, Colorado on November 19, 2024 and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under a Service Plan approved by the County on September 24, 2024.

The District was established to provide financing for the planning, design, acquisition, construction, installation, relocation, redevelopment and ongoing operations of certain public improvements.

On November 5, 2024, the District's voters authorized total indebtedness of \$59,500,000 for the above listed facilities. The District's voters also authorized total indebtedness of \$8,500,000 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 \$1,000,000 without limitation of rate, to pay the District's operation and maintenance costs.

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.

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

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

**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.

**ARROWHEAD COLORADO 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:

<b>Category</b>	<b>Rate</b>	<b>Category</b>	<b>Rate</b>
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%

**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 forecast assumes that the District's share will be equal to approximately 7.5% of the property taxes collected by both the General Fund and the Debt Service Fund.

**Developer Advance**

The District is in the development stage. As such, the operating and administrative expenditures will be mainly funded by the Developer. A major portion of the capital expenditures are also expected to 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 bond proceeds and other legally available revenue.

**Expenditures**

**Administrative and Operating Expenditures**

Administrative expenditures include the services necessary to maintain the District's administrative viability such as legal, accounting, insurance, management and meeting expenses.

**County Treasurer's Fees**

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

**ARROWHEAD COLORADO METROPOLITAN DISTRICT  
2026 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Expenditures (Continued)**

**Capital Outlay**

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

**Debt and Leases**

The District has no operating or capital leases.

The District has outstanding developer advances with activity estimated in 2026 as follows:

	Balance at December 31, 2024	Estimated Additions	Estimated Repayments	Balance at December 31, 2025*
Developer advances - Capital	\$ -	\$ 455,000	\$ -	\$ 455,000
Developer advances - O&M	-	60,000	-	60,000
	<u>-</u>	<u>515,000</u>	<u>-</u>	<u>515,000</u>
Accrued interest - Capital	-	9,100	-	9,100
Accrued interest - O&M	-	1,200	-	1,200
	<u>-</u>	<u>10,300</u>	<u>-</u>	<u>10,300</u>
	<u>\$ -</u>	<u>\$ 525,300</u>	<u>\$ -</u>	<u>\$ 525,300</u>
	Estimated Balance at December 31, 2025*	Estimated Additions	Estimated Repayments	Estimated Balance at December 31, 2026*
Developer advances - Capital	\$ 455,000	\$ 455,000	\$ -	\$ 910,000
Developer advances - O&M	60,000	61,036	-	121,036
	<u>515,000</u>	<u>516,036</u>	<u>-</u>	<u>1,031,036</u>
Accrued interest - Capital	9,100	54,600	-	63,700
Accrued interest - O&M	1,200	7,241	-	8,441
	<u>10,300</u>	<u>61,841</u>	<u>-</u>	<u>72,141</u>
*Estimate	<u>\$ 525,300</u>	<u>\$ 577,877</u>	<u>\$ -</u>	<u>\$ 1,103,177</u>

**ARROWHEAD COLORADO METROPOLITAN DISTRICT  
2026 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Reserve Funds**

**Emergency Reserve**

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

**This information is an integral part of the accompanying forecasted budget.**

I, Cary Clark, hereby certify that I am the duly appointed Secretary of the Arrowhead Colorado Metropolitan District, and that the foregoing is a true and correct copy of the budget for the budget year 2026, duly adopted at a meeting of the Board of Directors of the Arrowhead Colorado Metropolitan District held on November 6, 2025.

*Cary Clark*  
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Secretary