

Hidden Creek Metropolitan District

2021 Annual Report

**Submitted to:
Town of Frederick
August 16, 2021**

Also filed with:
Colorado Division of Local Government in the Department of Local Affairs &
Colorado State Auditor

The Hidden Creek Metropolitan District (the “District”) hereby submits this annual report, as required pursuant to Section VII of the Service Plan of the District dated September 1, 2015 and approved by the Town of Frederick (the “Town”) on September 8, 2015 (the “Service Plan”). This annual report is being submitted to satisfy the reporting requirement for the year 2021 concerning activities completed between January 1, 2020 and December 31, 2020.

1. A narrative summary of the progress of the District in implementing its Service Plan.

The District was formed by Order of the Weld County District Court issued November 19, 2015 and recorded on November 25, 2015. The District held its organizational meeting on December 8, 2015 at which time the Board approved the intergovernmental agreement with the Town of Frederick as required by Section X of the District’s Service Plan. On July 22, 2021, the District issued Limited Tax General Obligation Bonds Series 2021A₍₃₎ in the principal amount of \$8,000,000.

2. Except when an exemption from audit has been granted for the report year under the Local Government Audit Law, the audited financial statements of the District for the report year including a statement of financial condition (i.e. balance sheet) as of December 31 of the report year and the statement of operations (i.e. revenues and expenditures) for the report year.

An application for exemption from audit was filed on behalf of the District for the fiscal year ending December 31, 2020, which is attached hereto as **Exhibit A**.

3. Unless disclosed within a separate schedule to the financial statements, a summary of the capital expenditures incurred by the District in development of Public Improvements in the report year, as well as any Public Improvements proposed to be undertaken in the five (5) years following the report year.

The District had no capital expenditures for development of Public Improvements in 2020. The following Phase I Public Improvements were undertaken by the developer in 2020: water, sanitary sewer improvements, storm drainage improvements, site work and roadway improvements. The developer expects to complete the remaining Phase I Public Improvements consisting of landscaping and park and recreation improvements in 2021. The District also intends to purchase raw water shares.

4. Unless disclosed within a separate schedule to the financial statements, a summary of the financial obligations of the District at the end of the report year, including the amount of outstanding Debt, the amount and terms of any new District Debt issued in the report year, the amount of payment or retirement of existing Debt of the District in the report year, the total assessed valuation of all taxable properties within the District as of January 1 of the report year, and the current mill levy of the District pledged to Debt retirement in the report year.

As of December 31, 2020, the District had no financial obligations not otherwise disclosed in its budget/financial statements.

As of January 1, 2021, the total assessed valuation of all taxable properties within the District was \$513,870.

The mill levy of the District pledged to Debt retirement which was certified in 2020 for collection in 2021 is 42.131 mills.

5. The District's budget for the calendar year in which the annual report is submitted.

A copy of the 2021 budget for the District is attached hereto as **Exhibit B**.

6. A summary of residential and commercial development which has occurred within the District for the report year.

No commercial development occurred within the District in 2020. In 2020, construction and installation of infrastructure that will support residential development, including sanitary sewer improvements, storm drainage improvements, and roadway improvements occurred within the District.

A summary of all fees, charges and assessments imposed by the District as of January 1 of the report year.

Mill levies of 10.533 mills for general operating expenses, 42.131 mills for general obligation bonds and interest, and 3.000 mills for contractual obligations were levied for 2021.

7. Certification of the Board that no action, event or condition enumerated in Section 14.4 of the Town Land Use Code has occurred in the report year, or certification that such event has occurred but that an amendment to the Service Plan that allows such event has been approved by the Town Board.

The Board hereby certifies that, to the best of its knowledge and belief, no action, event or condition enumerated in Section 14.4 of the Town Land Use Code occurred in 2020.

8. The name, business address and telephone number of each member of the Board and its chief administrative officer and general counsel, together with the date, place and time of the regular meetings of the Board.

Board Members

Jody Rowland
4725 S. Monaco Street, Suite 360
Denver, CO 80237
(303) 292-9100

Kacy Flemons
4725 S. Monaco Street, Suite 360
Denver, CO 80237
(303) 292-9100

Tracye Herrington
4725 S. Monaco Street, Suite 360
Denver, CO 80237
(303) 292-9100

Chief Administrative Officer

Not applicable.

General Legal Counsel

Jennifer L. Ivey
Icenogle Seaver Pogue, P.C.
4725 S. Monaco Street, Suite 360
Denver, Colorado 80237
(303) 867-3003

Regular Board Meetings

The next regular meeting of the Board is scheduled for December 2, 2021 at 1:00 P.M., at 12000 N. Pecos Street, Suite 275, Westminster, Colorado 80234.

EXHIBIT A

Application for Exemption from Audit for the Year Ending December 31, 2020

APPLICATION FOR EXEMPTION FROM AUDIT

SHORT FORM

**NAME OF GOVERNMENT
ADDRESS**

Hidden Creek Metropolitan District
8390 E Crescent Parkway
Suite 300
Greenwood Village, CO 80111
Jason Carroll
303-779-5710
Jason.Carroll@claconnect.com
303-779-0348

**For the Year Ended
12/31/20
or fiscal year ended:**

**CONTACT PERSON
PHONE
EMAIL
FAX**

PART 1 - CERTIFICATION OF PREPARER

I certify that I am skilled in governmental accounting and that the information in the application is complete and accurate, to the best of my knowledge.

**NAME:
TITLE
FIRM NAME (if applicable)
ADDRESS
PHONE
DATE PREPARED**

Jason Carroll
Accountant for the District
CliftonLarsonAllen LLP
8390 E Crescent Parkway, Suite 300, Greenwood Village, CO 80111
303-779-5710
3/3/2021

PREPARER (SIGNATURE REQUIRED)

SEE ATTACHED ACCOUNTANT'S COMPILATION REPORT

Please indicate whether the following financial information is recorded using Governmental or Proprietary fund types	GOVERNMENTAL <small>(MODIFIED ACCRUAL BASIS)</small>	PROPRIETARY <small>(CASH OR BUDGETARY BASIS)</small>
	<input checked="" type="checkbox"/>	<input type="checkbox"/>

PART 2 - REVENUE

REVENUE: All revenues for all funds must be reflected in this section, including proceeds from the sale of the government's land, building, and equipment, and proceeds from debt or lease transactions. Financial information will not include fund equity information.

Line#	Description	Round to nearest Dollar	Please use this space to provide any necessary explanations
2-1	Taxes: Property (report mills levied in Question 10-6)	\$ -	
2-2	Specific ownership	\$ -	
2-3	Sales and use	\$ -	
2-4	Other (specify):	\$ -	
2-5	Licenses and permits	\$ -	
2-6	Intergovernmental: Grants	\$ -	
2-7	Conservation Trust Funds (Lottery)	\$ -	
2-8	Highway Users Tax Funds (HUTF)	\$ -	
2-9	Other (specify):	\$ -	
2-10	Charges for services	\$ -	
2-11	Fines and forfeits	\$ -	
2-12	Special assessments	\$ -	
2-13	Investment income	\$ -	
2-14	Charges for utility services	\$ -	
2-15	Debt proceeds (should agree with line 4-4, column 2)	\$ -	
2-16	Lease proceeds	\$ -	
2-17	Developer Advances received (should agree with line 4-4)	\$ -	
2-18	Proceeds from sale of capital assets	\$ -	
2-19	Fire and police pension	\$ -	
2-20	Donations	\$ -	
2-21	Other (specify):	\$ -	
2-22		\$ -	
2-23		\$ -	
2-24	(add lines 2-1 through 2-23) TOTAL REVENUE	\$ -	

PART 3 - EXPENDITURES/EXPENSES

EXPENDITURES: All expenditures for all funds must be reflected in this section, including the purchase of capital assets and principal and interest payments on long-term debt. Financial information will not include fund equity information.

Line#	Description	Round to nearest Dollar	Please use this space to provide any necessary explanations
3-1	Administrative	\$ -	
3-2	Salaries	\$ -	
3-3	Payroll taxes	\$ -	
3-4	Contract services	\$ -	
3-5	Employee benefits	\$ -	
3-6	Insurance	\$ -	
3-7	Accounting and legal fees	\$ -	
3-8	Repair and maintenance	\$ -	
3-9	Supplies	\$ -	
3-10	Utilities and telephone	\$ -	
3-11	Fire/Police	\$ -	
3-12	Streets and highways	\$ -	
3-13	Public health	\$ -	
3-14	Capital outlay	\$ -	
3-15	Utility operations	\$ -	
3-16	Culture and recreation	\$ -	
3-17	Debt service principal (should agree with Part 4)	\$ -	
3-18	Debt service interest	\$ -	
3-19	Repayment of Developer Advance Principal (should agree with line 4-4)	\$ -	
3-20	Repayment of Developer Advance Interest	\$ -	
3-21	Contribution to pension plan (should agree to line 7-2)	\$ -	
3-22	Contribution to Fire & Police Pension Assoc. (should agree to line 7-2)	\$ -	
3-23	Other (specify):	\$ -	
3-24	Dues and Licenses	\$ -	
3-25		\$ -	
3-26	(add lines 3-1 through 3-24) TOTAL EXPENDITURES/EXPENSES	\$ -	

If TOTAL REVENUE (Line 2-24) or TOTAL EXPENDITURES (Line 3-26) are GREATER than \$100,000 - **STOP**. You may not use this form. Please use the "Application for Exemption from Audit - LONG FORM".

PART 4 - DEBT OUTSTANDING, ISSUED, AND RETIRED

Please answer the following questions by marking the appropriate boxes.

		Yes	No		
4-1	Does the entity have outstanding debt? If Yes, please attach a copy of the entity's Debt Repayment Schedule.	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
4-2	Is the debt repayment schedule attached? If no, MUST explain: <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">N/A, no outstanding debt.</div>	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
4-3	Is the entity current in its debt service payments? If no, MUST explain: <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">N/A, no outstanding debt.</div>	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
4-4	Please complete the following debt schedule, if applicable: (please only include principal amounts)(enter all amount as positive numbers)				
	Outstanding at end of prior year*	Issued during year	Retired during year		
	Outstanding at year-end				
	General obligation bonds	\$ -	\$ -	\$ -	\$ -
	Revenue bonds	\$ -	\$ -	\$ -	\$ -
	Notes/Loans	\$ -	\$ -	\$ -	\$ -
	Leases	\$ -	\$ -	\$ -	\$ -
	Developer Advances	\$ -	\$ -	\$ -	\$ -
	Other (specify):	\$ -	\$ -	\$ -	\$ -
	TOTAL	\$ -	\$ -	\$ -	\$ -

*must tie to prior year ending balance

Please answer the following questions by marking the appropriate boxes.

		Yes	No
4-5	Does the entity have any authorized, but unissued, debt?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
If yes:	How much? Date the debt was authorized:		
	\$ 130,000,000.00 11/3/2015		
4-6	Does the entity intend to issue debt within the next calendar year?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes:	How much?		
	\$ -		
4-7	Does the entity have debt that has been refinanced that it is still responsible for?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes:	What is the amount outstanding?		
	\$ -		
4-8	Does the entity have any lease agreements?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes:	What is being leased? What is the original date of the lease? Number of years of lease?		
	\$ -		
	Is the lease subject to annual appropriation?	<input type="checkbox"/>	<input type="checkbox"/>
	What are the annual lease payments?		
	\$ -		

Please use this space to provide any explanations or comments:

PART 5 - CASH AND INVESTMENTS

Please provide the entity's cash deposit and investment balances.

		Amount	Total
5-1	YEAR-END Total of ALL Checking and Savings Accounts	\$ -	
5-2	Certificates of deposit	\$ -	
Total Cash Deposits			\$ -
	Investments (if investment is a mutual fund, please list underlying investments):		
		\$ -	
		\$ -	
5-3		\$ -	
		\$ -	
Total Investments			\$ -
Total Cash and Investments			\$ -

Please answer the following questions by marking in the appropriate boxes

		Yes	No	N/A
5-4	Are the entity's Investments legal in accordance with Section 24-75-601, et. seq., C.R.S.?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5-5	Are the entity's deposits in an eligible (Public Deposit Protection Act) public depository (Section 11-10.5-101, et seq. C.R.S.)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

If no, MUST use this space to provide any explanations:

PART 6 - CAPITAL ASSETS

Please answer the following questions by marking in the appropriate boxes.

Yes No

- 6-1 Does the entity have capital assets? Yes No
- 6-2 Has the entity performed an annual inventory of capital assets in accordance with Section 29-1-506, C.R.S.,? If no, MUST explain: Yes No

N/A. The District has no capital assets.

Complete the following capital assets table:	Balance - beginning of the year*	Additions (Must be included in Part 3)	Deletions	Year-End Balance
Land	\$ -	\$ -	\$ -	\$ -
Buildings	\$ -	\$ -	\$ -	\$ -
Machinery and equipment	\$ -	\$ -	\$ -	\$ -
Furniture and fixtures	\$ -	\$ -	\$ -	\$ -
Infrastructure	\$ -	\$ -	\$ -	\$ -
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
Other (explain):	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -

Please use this space to provide any explanations or comments:

PART 7 - PENSION INFORMATION

Please answer the following questions by marking in the appropriate boxes.

Yes No

- 7-1 Does the entity have an "old hire" firemen's pension plan? Yes No
- 7-2 Does the entity have a volunteer firemen's pension plan? Yes No

If yes: Who administers the plan?

Indicate the contributions from:

Tax (property, SO, sales, etc.):	\$ -
State contribution amount:	\$ -
Other (gifts, donations, etc.):	\$ -
TOTAL	\$ -
What is the monthly benefit paid for 20 years of service per retiree as of Jan	\$ -

Please use this space to provide any explanations or comments:

PART 8 - BUDGET INFORMATION

Please answer the following questions by marking in the appropriate boxes.

Yes No N/A

- 8-1 Did the entity file a budget with the Department of Local Affairs for the current year in accordance with Section 29-1-113 C.R.S.? Yes No N/A
-
- 8-2 Did the entity pass an appropriations resolution, in accordance with Section 29-1-108 C.R.S.? If no, MUST explain: Yes No N/A
-

If yes: Please indicate the amount budgeted for each fund for the year reported:

Fund Name	Budgeted Expenditures/Expenses
General Fund	\$ 50,000

PART 9 - TAXPAYER'S BILL OF RIGHTS (TABOR)

	Please answer the following question by marking in the appropriate box	Yes	No
9-1	Is the entity in compliance with all the provisions of TABOR [State Constitution, Article X, Section 20(5)]? <small>Note: An election to exempt the government from the spending limitations of TABOR does not exempt the government from the 3 percent emergency reserve requirement. All governments should determine if they meet this requirement of TABOR.</small>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

If no, MUST explain:

PART 10 - GENERAL INFORMATION

	Please answer the following questions by marking in the appropriate boxes.	Yes	No
10-1	Is this application for a newly formed governmental entity?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes:	Date of formation: <input style="width: 450px; height: 15px;" type="text"/>		
10-2	Has the entity changed its name in the past or current year?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes:	Please list the NEW name & PRIOR name: <input style="width: 600px; height: 15px;" type="text"/>		
10-3	Is the entity a metropolitan district? Please indicate what services the entity provides: <input style="width: 600px; height: 15px;" type="text"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
10-4	Does the entity have an agreement with another government to provide services? List the name of the other governmental entity and the services provided: <input style="width: 600px; height: 15px;" type="text"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
10-5	Has the district filed a <i>Title 32, Article 1 Special District Notice of Inactive Status</i> during Date Filed: <input style="width: 450px; height: 15px;" type="text"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
10-6	Does the entity have a certified Mill Levy?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
If yes:	Please provide the following <u>mills</u> levied for the year reported (do not report \$ amounts):		
	Bond Redemption mills		0.000
	General/Other mills		0.000
	Total mills		0.000

Please use this space to provide any explanations or comments:

10-3: Water, storm sewer, sanitation and wastewater treatment, street, safety protection, park and recreation, and mosquito control.

PART 11 - GOVERNING BODY APPROVAL

	Please answer the following question by marking in the appropriate box	YES	NO
12-1	If you plan to submit this form electronically, have you read the new Electronic Signature Policy?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Office of the State Auditor — Local Government Division - Exemption Form Electronic Signatures Policy and Procedure

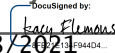

Policy - Requirements

The Office of the State Auditor Local Government Audit Division may accept an electronic submission of an application for exemption from audit that includes governing board signatures obtained through a program such as DocuSign or Echosign. Required elements and safeguards are as follows:

- The preparer of the application is responsible for obtaining board signatures that comply with the requirement in Section 29-1-604 (3), C.R.S., that states the application shall be personally reviewed, approved, and signed by a majority of the members of the governing body.
- The application must be accompanied by the signature history document created by the electronic signature software. The signature history document must show when the document was created and when the document was emailed to the various parties, and include the dates the individual board members signed the document. The signature history must also show the individuals' email addresses and IP address.
- Office of the State Auditor staff will not coordinate obtaining signatures.

The application for exemption from audit form created by our office includes a section for governing body approval. Local governing boards note their approval and submit the application through one of the following three methods:

- 1) Submit the application in hard copy via the US Mail including original signatures.
- 2) Submit the application electronically via email and either,
 - a. Include a copy of an adopted resolution that documents formal approval by the Board, **or**
 - b. Include electronic signatures obtained through a software program such as DocuSign or Echosign in accordance with the requirements noted above.

Print the names of ALL members of current governing body below. Print Board Member's Name		A MAJORITY of the members of the governing body must complete and sign in the column below.
Board Member 1	Jody Rowland	I, Jody Rowland, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: May 2023
Board Member 2	Kacy Flemons	I, Kacy Flemons, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed  _____ Date: 3/8/2021 My term Expires: May 2022
Board Member 3	Tracye Herrington	I, Tracye Herrington, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed  _____ Date: 3/8/2021 My term Expires: May 2022
Board Member 4		I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 5		I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 6		I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 7		I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____



CliftonLarsonAllen LLP
www.CLACONnect.com

Accountant's Compilation Report

Board of Directors
Hidden Creek Metropolitan District
Weld County, Colorado

Management is responsible for the accompanying Application for Exemption from Audit of Hidden Creek Metropolitan District as of and for the year ended December 31, 2020, included in the accompanying prescribed form. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the financial statements included in the accompanying prescribed form nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the financial statements included in the accompanying prescribed form.

The Application for Exemption from Audit is presented in accordance with the requirements of the Colorado Office of the State Auditor, which differ from accounting principles generally accepted in the United States of America.

This report is intended solely for the information and use of the Colorado Office of the State Auditor and is not intended to be and should not be used by anyone other than this specified party.

We are not independent with respect to Hidden Creek Metropolitan District.

A handwritten signature in black ink that reads 'CliftonLarsonAllen LLP' in a cursive script.

Greenwood Village, Colorado
March 4, 2021

Certificate Of Completion

Envelope Id: 423531DF355F4E3D922E7F3A69D20037

Status: Completed

Subject: Please DocuSign: HCMD 2020 Audit Exemption.pdf

Client Name: Hidden Creek Metropolitan District

Client Number: 011-044678-00

Source Envelope:

Document Pages: 8

Signatures: 2

Envelope Originator:

Certificate Pages: 5

Initials: 0

Ladiella Henderson

AutoNav: Enabled

220 South 6th Street

Envelopeld Stamping: Enabled

Suite 300

Time Zone: (UTC-06:00) Central Time (US & Canada)

Minneapolis, MN 55402

Ladiella.Henderson@claconnect.com

IP Address: 174.16.138.238

Record Tracking

Status: Original

Holder: Ladiella Henderson

Location: DocuSign

3/8/2021 12:53:16 PM

Ladiella.Henderson@claconnect.com

Signer Events

Kacy Flemons

Kacy.flemons@lgihomes.com

Secretary

Security Level: Email, Account Authentication
(None)

Signature

DocuSigned by:

8FB21E134F944D4...

Signature Adoption: Pre-selected Style

Using IP Address: 71.237.20.92

Timestamp

Sent: 3/8/2021 12:58:26 PM

Viewed: 3/8/2021 5:59:27 PM

Signed: 3/8/2021 6:00:12 PM

Electronic Record and Signature Disclosure:

Accepted: 3/8/2021 5:59:27 PM

ID: 0671a082-9fe4-4a11-a6f8-f34781092d4a

Tracye Herrington

Tracye.herrington@lgihomes.com

President

LGI Homes

Security Level: Email, Account Authentication
(None)

DocuSigned by:

8F0C866598044BF...

Signature Adoption: Drawn on Device

Using IP Address: 67.174.103.26

Sent: 3/8/2021 12:58:26 PM

Viewed: 3/8/2021 12:59:28 PM

Signed: 3/8/2021 12:59:44 PM

Electronic Record and Signature Disclosure:

Accepted: 12/23/2020 3:54:47 PM

ID: a8b27cd6-8036-47ef-85c9-14884f8ef834

In Person Signer Events	Signature	Timestamp
Editor Delivery Events	Status	Timestamp
Agent Delivery Events	Status	Timestamp
Intermediary Delivery Events	Status	Timestamp
Certified Delivery Events	Status	Timestamp
Carbon Copy Events	Status	Timestamp
Witness Events	Signature	Timestamp
Notary Events	Signature	Timestamp

Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	3/8/2021 12:58:26 PM
Certified Delivered	Security Checked	3/8/2021 12:59:28 PM
Signing Complete	Security Checked	3/8/2021 12:59:44 PM
Completed	Security Checked	3/9/2021 11:05:56 AM

Payment Events	Status	Timestamps
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Electronic Record and Signature Disclosure

ELECTRONIC RECORD AND SIGNATURE DISCLOSURE

From time to time, CliftonLarsonAllen LLP (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through the DocuSign system. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to this Electronic Record and Signature Disclosure (ERSD), please confirm your agreement by selecting the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

Getting paper copies

At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. You will have the ability to download and print documents we send to you through the DocuSign system during and immediately after the signing session and, if you elect to create a DocuSign account, you may access the documents for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a \$0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

Withdrawing your consent

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

Consequences of changing your mind

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. Further, you will no longer be able to use the DocuSign system to receive required notices and consents electronically from us or to sign electronically documents from us.

All notices and disclosures will be sent to you electronically

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through the DocuSign system all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

How to contact CliftonLarsonAllen LLP:

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

To contact us by email send messages to: BusinessTechnology@CLAconnect.com

To advise CliftonLarsonAllen LLP of your new email address

To let us know of a change in your email address where we should send notices and disclosures electronically to you, you must send an email message to us at BusinessTechnology@CLAconnect.com and in the body of such request you must state: your previous email address, your new email address. We do not require any other information from you to change your email address.

If you created a DocuSign account, you may update it with your new email address through your account preferences.

To request paper copies from CliftonLarsonAllen LLP

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an email to BusinessTechnology@CLAconnect.com and in the body of such request you must state your email address, full name, mailing address, and telephone number. We will bill you for any fees at that time, if any.

To withdraw your consent with CliftonLarsonAllen LLP

To inform us that you no longer wish to receive future notices and disclosures in electronic format you may:

i. decline to sign a document from within your signing session, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;

ii. send us an email to BusinessTechnology@CLAconnect.com and in the body of such request you must state your email, full name, mailing address, and telephone number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

Required hardware and software

The minimum system requirements for using the DocuSign system may change over time. The current system requirements are found here: <https://support.docusign.com/guides/signer-guide-signing-system-requirements>.

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- Until or unless you notify CliftonLarsonAllen LLP as described above, you consent to receive exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you by CliftonLarsonAllen LLP during the course of your relationship with CliftonLarsonAllen LLP.

EXHIBIT B

2021 Budget

HIDDEN CREEK METROPOLITAN DISTRICT

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2021

**HIDDEN CREEK METROPOLITAN DISTRICT
SUMMARY
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

1/25/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Developer advance	-	75,000	44,317
Property taxes	-	-	28,604
Specific ownership tax	-	-	1,430
Total revenues	-	75,000	74,351
Total funds available	-	75,000	74,351
EXPENDITURES			
General Fund	-	75,000	50,000
Debt Service Fund	-	-	1,944
Total expenditures	-	75,000	51,944
Total expenditures and transfers out requiring appropriation	-	75,000	51,944
ENDING FUND BALANCES	\$ -	\$ -	\$ 22,407

No assurance provided. See summary of significant assumptions.

**HIDDEN CREEK METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

1/25/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
ASSESSED VALUATION - WELD COUNTY			
Residential	\$ -	\$ -	\$ 302,220
Agricultural	3,770	5,540	-
State assessed	48,780	53,850	69,900
Oil and Gas	146,010	453,540	141,750
	<u>198,560</u>	<u>512,930</u>	<u>513,870</u>
Adjustments	-	-	-
Certified Assessed Value	<u>\$ 198,560</u>	<u>\$ 512,930</u>	<u>\$ 513,870</u>
MILL LEVY			
General	0.000	0.000	10.533
Debt Service	0.000	0.000	42.131
Contribution Mill Levy	0.000	0.000	3.000
Refund and abatements	0.000	0.000	0.000
Total mill levy	<u>0.000</u>	<u>0.000</u>	<u>55.664</u>
PROPERTY TAXES			
General	\$ -	\$ -	\$ 5,412
Debt Service	-	-	21,650
Contribution Mill Levy	-	-	1,542
Levied property taxes	<u>-</u>	<u>-</u>	<u>28,604</u>
Refunds and abatements	-	-	-
Budgeted property taxes	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,604</u>
General	\$ -	\$ -	\$ 5,412
Debt Service	-	-	21,650
Contribution Mill Levy	-	-	1,542
BUDGETED PROPERTY TAXES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,604</u>

No assurance provided. See summary of significant assumptions.

**HIDDEN CREEK METROPOLITAN DISTRICT
GENERAL FUND
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

1/25/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
REVENUES			
Developer advance	-	75,000	44,317
Property taxes	-	-	5,412
Specific ownership tax	-	-	271
Total revenues	<u>\$ -</u>	<u>\$ 75,000</u>	<u>\$ 50,000</u>
Total funds available	<u>-</u>	<u>75,000</u>	<u>50,000</u>
EXPENDITURES			
General and administrative			
Accounting	-	7,500	5,500
County Treasurer's fee	-	-	81
District management	-	7,000	15,000
Dues and licenses	-	300	500
Election	-	2,879	-
Insurance and bonds	-	-	2,000
Legal services	-	20,000	20,000
Miscellaneous	-	400	400
Contingency	-	5,921	6,519
Capital			
Ridgeway Right of Way	-	31,000	-
Total expenditures	<u>-</u>	<u>75,000</u>	<u>50,000</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>75,000</u>	<u>50,000</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**HIDDEN CREEK METROPOLITAN DISTRICT
DEBT SERVICE FUND
2021 BUDGET
WITH 2019 ACTUAL AND 2020 ESTIMATED
For the Years Ended and Ending December 31,**

1/25/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
REVENUES			
Property taxes	-	-	21,650
Specific ownership tax	-	-	1,082
Property taxes - Contribution Mill Levy	-	-	1,542
Specific ownership tax - Contribution Mill Levy	-	-	77
Total revenues	-	-	24,351
Total funds available	-	-	24,351
EXPENDITURES			
General and administrative			
County Treasurer's fee	-	-	325
County Treasurer's fee - Contribution Mill Levy	-	-	23
Transfer to the Town of Frederick	-	-	1,596
Total expenditures	-	-	1,944
Total expenditures and transfers out requiring appropriation	-	-	1,944
ENDING FUND BALANCE	\$ -	\$ -	\$ 22,407

No assurance provided. See summary of significant assumptions.

**HIDDEN CREEK METROPOLITAN DISTRICT
2021 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
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues – (continued)

Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in an amount sufficient to pay the principal, premium if any, and interest on the Bonds as the same become due and payable. As of December 31, 2021, the adjusted maximum mill levy for debt service is 42.131 mills.

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 5% of the property taxes collected.

Developer Advance

The District is in the development stage. A significant portion of operations and maintenance costs of the District in 2021 are 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 bonds proceeds and other legally available revenue.

Bond Issuance

The District anticipates issuing general obligation improvements bonds. Bond proceeds will be used to pay infrastructure costs, bond issue costs and capitalized interest. Significant terms of the bond issuance will be determined at the time of issuance.

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.

Debt and Leases

The District has no debt and operating or capital leases.

**HIDDEN CREEK METROPOLITAN DISTRICT
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Emergency Reserve

TABOR requires local governments to establish emergency reserve. This reserve must be at least 3% of fiscal year spending. Since all funds received by the District are from Developer advances which pay for all of the District's operations and maintenance costs, an emergency reserve is not reflected in the District's budget.

This information is an integral part of the accompanying budget.