

LAW OFFICE OF MICHAEL E. DAVIS, LLC

June 18, 2026

Weld County Clerk & Recorder
1402 North 17th Avenue
Greeley, CO 80631
weld-districts@weldgov.com

Division of Local Government
Department of Local Affairs
1313 Sherman Street, Room 521
Denver, CO 80203

Office of the State Auditor
Local Government Audit Division
1525 Sherman Street, 7th Floor
Denver, CO 80203

City Council
City of Fort Lupton
130 South McKinley Avenue
Fort Lupton, CO 80621
mpena@fortluptonco.gov

RE: 2025 Annual Report

To Whom It May Concern:

Enclosed for your records is the annual report for 2025 for the below captioned district. Please contact me with any questions or concerns. Thank you.

Cottonwood Greens Metropolitan District No. 2

LAW OFFICE OF MICHAEL E. DAVIS, LLC
Marisa Davis, Senior Paralegal

Enclosure

COTTONWOOD GREENS METROPOLITAN DISTRICT NO. 2
COUNTY OF WELD, STATE OF COLORADO

ANNUAL REPORT FOR FISCAL YEAR 2025

Pursuant to §32-1-207(3)(c), C.R.S., and the Service Plan for Cottonwood Greens Metropolitan District No. 2 (the “District”), the District hereby submits the following annual report for the year ending December 31, 2025.

a. **Boundary changes made.**

The District boundaries did not change in 2025.

b. **Intergovernmental agreements entered into or terminated with other governmental entities.**

The District did not enter into, or terminate any IGAs in the report year.

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

On December 7, 2022 the Board of Directors of the District adopted a resolution establishing the rules and regulations by which the District would enforce the Covenants, Conditions and Restrictions recorded in the Weld County Clerk & Recorder's office at reception nos. 4853011 and 4854700. The Board resolution is available by contacting Centennial Consulting Group at (970) 484-0101.

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

We are not aware of any litigation, pending or threatened, involving public improvements owned by the District.

e. **The status of the construction of public improvements by the District.**

Public improvements within the boundaries of the District are complete.

f. **A list of facilities or improvements constructed by the District that were conveyed or dedicated to the City.**

No Public Improvements have been dedicated to the City as of December 31st of the report year.

g. **The final assessed valuation of the District as of December 31 of the report year.**

The assessed value for 2025 was \$4,373,560.

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

The budget resolution for the current year is attached hereto as **Exhibit A**.

i. **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 audited financial statements, as required by the "Colorado Local Government Audit Law," Part 6 of Article 1 of Title 29, are not yet available and will be provided when they become available.

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

The District has not received any notices of uncured events of default under any Debt instrument.

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

There was no inability of the District to pay any of its obligations as they came due, in accordance with the terms of any such obligations.

EXHIBIT A

2026 Budget Resolution

Thereupon, Director Davis introduced and moved the adoption of the following Resolution:

RESOLUTION

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR TO HELP DEFRAY THE COSTS OF THE GOVERNMENT, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE COTTONWOOD GREENS METROPOLITAN DISTRICT NO. 2, CITY OF FORT LUPTON, WELD COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2026 AND ENDING ON THE LAST DAY OF DECEMBER, 2026.

WHEREAS, the Board of Directors (the “Board”) of the Cottonwood Greens Metropolitan District No. 2 (the “District”) has authorized its consultants, treasurer and legal counsel to prepare and submit a proposed budget to said governing body no later than October 15, 2025; and

WHEREAS, the proposed 2026 budget has been submitted to the Board for its consideration; and

WHEREAS, upon due and proper notice, posted in accordance with Colorado law and published on September 11, 2025 in the Fort Lupton Press, said proposed budget was open for inspection by the public at a designated place, a public hearing was held at 10:00 AM on Monday, September 22, 2025, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, the budget being adopted by the Board has been prepared based on the best information available to the Board regarding the effects of Article X, Section 20 of the Colorado Constitution; and

WHEREAS, 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.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF COTTONWOOD GREENS METROPOLITAN DISTRICT NO. 2, WELD COUNTY, COLORADO, AS FOLLOWS:

Section 1. Adoption of Budget. The budget attached hereto and incorporated herein (the “Budget”), including without limitation the estimated revenues and expenditures for each fund included therein, is hereby approved and adopted as the budget of the District for fiscal year 2026. In the event of recertification of values by the County Assessor’s Office after the date of adoption hereof, staff is hereby directed to modify and/or adjust the budget and certification to reflect the recertification without the need for additional Board authorization. Any such modification to the budget or certification as contemplated by this Section 1 shall be deemed ratified by the Board.

Section 2. Appropriations. The amounts set forth as expenditures for each fund in the Budget are hereby appropriated for each such fund.

Section 3. Mill Levy Adjustment. When developing the Budget, consideration was given to any changes in method of calculating assessed valuation, including any changes to the assessment ratios, or any constitutionally mandated tax credit, cut or abatement, as authorized in the District's service plan. The Board hereby determines that in good faith (such determination to be binding and final), that to the extent possible, the adjustments to the mill levies made to account for changes in Colorado law described in the prior sentence, and the actual tax revenues generated by the mill levies, are neither diminished nor enhanced as a result of those changes.

Section 4. Budget Certification. The Budget shall be certified by a director on the board of directors of the District and shall be made a part of the public records of the District.

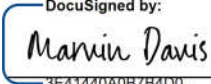
Section 5. Certification of Mill Levies. For the purposes of meeting all of the District's general operating expenses, debt service obligations, contractual obligations, and capital expenditure obligations, as well as funding any applicable refunds or abatements during the 2026 budget year, the applicable mill levies set forth in the Budget are hereby adopted and approved. The attorney, accountant or manager for the District is hereby authorized and directed to certify to the Weld County Board of County Commissioners, no later than December 15, 2025, the mill levies for the District as set forth in the Budget. Such certification shall be in compliance with the requirements of Colorado law.

Section 6. Filing of Budget and Budget Message. The Board hereby directs its legal counsel, manager or other designee to file a certified copy of the adopted budget resolution, the Budget, and budget message with the Division of Local Government by January 30 of the ensuing year.

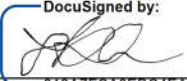
The foregoing Resolution was seconded by Director Brown.

RESOLUTION APPROVED AND ADOPTED ON SEPTEMBER 22, 2025.

COTTONWOOD GREENS METROPOLITAN DISTRICT NO. 2

By: 
Marvin Davis, President

ATTEST:


Leslie Brown, Secretary/Treasurer

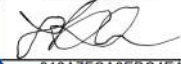
APPROVED AS TO FORM:
LAW OFFICE OF MICHAEL E. DAVIS, LLC


As General Counsel to the District

STATE OF COLORADO
COUNTY OF WELD
COTTONWOOD GREENS METROPOLITAN DISTRICT NO. 2

I, Leslie Brown, hereby certify that I am a director and the duly elected and qualified Secretary/Treasurer of Cottonwood Greens Metropolitan District No. 2 (the "District"), and that the foregoing constitutes a true and correct copy of the record of proceedings of the Board of Directors of said District adopted at a meeting of the Board of Directors of the District held at 10:00 AM on Monday, September 22, 2025, by videoconference at <https://us06web.zoom.us/j/84662700597>, and by teleconference at (720) 707-2699, Meeting ID: 846 6270 0597, as recorded in the official record of the proceedings of the District, insofar as said proceedings relate to the budget hearing for fiscal year 2026; that said proceedings were duly had and taken; that the meeting was duly held; and that the persons were present at the meeting as therein shown.

IN WITNESS WHEREOF, I have hereunto subscribed my name on September 22, 2025.

DocuSigned by:


019A7ECA0EBC4EA

Leslie Brown, Secretary/Treasurer

EXHIBIT A
2026 BUDGET DOCUMENT & BUDGET MESSAGE FOR
COTTONWOOD GREENS METROPOLITAN DISTRICT NO. 2

Cottonwood Greens Metropolitan District No. 2

General Fund

		2025	2025	2026
	2024 Actual	Budget	Estimated Actual	Budget
Modified accrual basis				
Beginning Balance	(35,404)	22,558	22,558	13,936
Income				
Developer Advances	200,000	120,000	80,000	75,000
Property Taxes	35,884	47,468	47,468	67,646
Specific Ownership Tax	1,258	2,848	2,133	4,059
Tax Related Interest	6	-	-	-
Interest Revenue	18	-	15	-
Fines	100	-	2,700	-
Design Review Fees	2,400	2,000	1,100	2,000
Total Income	239,666	172,316	133,416	148,705
Expense				
Management & Accounting Services	30,089	31,200	31,200	32,760
Design Review Fees	2,400	2,000	1,400	2,000
Legal	19,985	12,000	12,375	8,493
Audit/Tax Prep	12,500	10,000	8,800	9,240
Election	-	5,000	-	-
Insurance	2,629	2,734	2,387	2,506
Engineers	-	-	-	-
Treasurers Fees	538	949	847	1,353
Bad Debt	-	-	100	-
Office	199	500	798	642
ADA Remediation	-	2,000	1,126	200
Dues & Subscriptions	502	527	498	523
Utilities/Water	35,518	25,000	18,108	14,763
Landscape Contract	65,498	55,000	46,778	49,117
Landscape Repairs	9,741	5,000	11,355	12,382
Snow Removal	2,105	1,000	2,460	3,690
Dog Waste Stations	-	-	3,806	-
Contingency	-	5,000	-	5,000
Total Expense	181,704	157,910	142,038	142,669
Excess Revenue (Expenses)	57,962	14,406	(8,622)	6,036
Ending Fund Balance	22,558	36,964	13,936	19,972
Restricted (TABOR)		4,737		4,280

Cottonwood Greens Metropolitan District No. 2

Debt Service

			2025 Amended Budget & Estimated Actual	2026 Budget
Modified accrual basis	2024 Actual	2025 Budget		
Beginning Balance	411	8,141	8,141	8,141
Income				
Property Tax	130,502	189,880	189,880	273,531
Specific Ownership Tax	4,724	11,393	8,531	16,412
Interest Revenue	2,961	-	4,003	-
Tax Related Interest	21	-	-	-
Transfer In	-	-	-	-
Total Income	138,208	201,273	202,414	289,943
Expense				
Treasurers Fees	1,958	3,798	3,388	5,471
Paying Agent Fees	7,000	7,000	7,000	7,000
Principal - Bonds	-	-	-	-
Interest - Bonds	121,520	190,475	192,026	277,472
Total Expense	130,478	201,273	202,414	289,943
Ending Fund Balance	8,141	8,141	8,141	8,141

Capital Projects

			2025 Estimated Actual	2026 Budget
Modified accrual basis	2024 Actual	2025 Budget		
Beginning Balance	-	-	-	-
Income				
Developer Advance	-	-	-	-
Interest Revenue	-	-	-	-
Debt Proceeds	-	-	-	-
Total Income	-	-	-	-
Expense				
Costs of Issuance	-	-	-	-
Transfer Out	-	-	-	-
Capital Projects	-	-	-	-
Total Expense	-	-	-	-
Ending Fund Balance	-	-	-	-

Assessed Valuation	3,265,800	4,373,560
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Operating Levy	14.535	15.467
Debt Levy	58.142	62.542
Total Levy	72.677	78.009

COTTONWOOD GREENS METROPOLITAN DISTRICT NO. 2
2026 BUDGET MESSAGE

Cottonwood Greens Metropolitan District No.2 is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act and was formed in 2006. The District is located in the City of Fort Lupton, Colorado. The District was organized to provide construction, installation, financing and operation of certain public improvements and facilities, including 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 at this time and all operations and administrative functions are contracted.

The budget is prepared on the modified accrual basis of accounting, which is consistent with the basis of accounting used in presenting the District's financial statements.

General Fund

Revenue

Budgeted income in the amount of \$148,705 consists of \$67,646 in property taxes generated from the 15.467 general operating mill levy and operating advances from the developer.

Expenses

The District's 2025 administrative and maintenance expenses are budgeted at \$142,669. Refer to the General Fund summary included with the budget.

Debt Service Fund

The District issued \$7,415,000 Series 2022A and \$2,305,000 Series 2022B Bonds in December, 2022. The 62.542 debt mill levy will generate \$273,531 in revenue for debt payments. *Due to the cash flow nature of the bonds, there are no scheduled principal payments.*

Capital Fund

Revenue

There is no budgeted income for 2026.

Expenses

The District's 2026 Capital Projects expense for public improvements is budgeted at \$0.

Fund Balance/Reserves

The District has provided for an emergency reserve fund equal to at least 3% of the fiscal year spending for 2026, as defined under TABOR. It is anticipated that the District will end the 2026 fiscal year with an ending fund balance of \$19,972.