

ERIE COMMONS METROPOLITAN DISTRICT NO. 2
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2025

**ERIE COMMONS HILL METRO DISTRICT NO. 2
GENERAL FUND
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,**

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ 197,277	\$ 311,248	\$ 607,018
REVENUES			
Property taxes	1,423,841	2,196,368	2,182,175
Specific ownership taxes	60,610	78,000	88,292
TIF Revenue	644	13,686	25,126
Interest Income	42,079	57,000	22,000
Other Revenue	50,000	-	-
Intergovernmental Revenues	89,025	138,795	143,691
Total revenues	1,666,199	2,483,849	2,461,284
Total funds available	1,863,476	2,795,097	3,068,302
EXPENDITURES			
General and administrative			
Accounting	8,335	16,000	16,000
Auditing	11,025	6,700	6,800
County Treasurer's Fee	21,379	32,274	33,110
Directors' fees	100	200	200
Dues and Membership	996	1,238	1,500
Insurance	2,106	1,937	3,000
Legal	9,424	12,000	13,000
Miscellaneous	(511)	100	2,625
Website	-	600	1,000
Banking fees	137	-	-
Election	-	-	2,500
Intergovernmental Expenditures	45,000	37,000	43,000
Debt Service			
Paying agent fees	-	6,000	6,000
Bond interest	1,199,237	1,789,030	1,780,200
Bond principal	255,000	285,000	295,000
Total expenditures	1,552,228	2,188,079	2,203,935
Total expenditures and transfers out requiring appropriation	1,552,228	2,188,079	2,203,935
ENDING FUND BALANCES	\$ 311,248	\$ 607,018	\$ 864,367
EMERGENCY RESERVE	\$ 50,000	\$ 74,600	\$ 73,900
AVAILABLE FOR OPERATIONS	261,248	532,418	790,467
TOTAL RESERVE	\$ 311,248	\$ 607,018	\$ 864,367

No assurance provided. See summary of significant assumptions

ERIE COMMONS HILL METRO DISTRICT NO. 2
PROPERTY TAX SUMMARY INFORMATION
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
ASSESSED VALUATION			
Residential	\$ 24,098,360	\$ 31,821,630	\$ 33,130,740
Commercial	540	1,030	1,100
State assessed	453,810	402,530	411,860
Vacant land	283,550	1,253,010	497,040
Oil & Gas	71,410	166,960	112,150
	<u>24,907,670</u>	<u>33,645,160</u>	<u>34,152,890</u>
Adjustments	(11,249)	(214,021)	(388,767)
Certified Assessed Value	<u>\$ 24,896,421</u>	<u>\$ 33,431,139</u>	<u>\$ 33,764,123</u>
MILL LEVY			
General	3.765	5.950	4.254
Debt Service	53.455	58.000	60.376
Total mill levy	<u>57.220</u>	<u>63.950</u>	<u>64.630</u>
PROPERTY TAXES			
General	\$ 93,735	\$ 198,915	\$ 143,632
Debt Service	1,330,838	1,939,006	2,038,543
	<u>1,424,573</u>	<u>2,137,921</u>	<u>2,182,175</u>
Levied property taxes	1,424,573	2,137,921	2,182,175
Adjustments to actual/rounding	(732)	-	-
Refunds and abatements	-	-	-
Budgeted property taxes	<u>\$ 1,423,841</u>	<u>\$ 2,137,921</u>	<u>\$ 2,182,175</u>
ASSESSED VALUATION			
TIF District Increment	\$ 11,249	\$ 214,021	\$ 388,767
Certified Assessed Value	<u>\$ 11,249</u>	<u>\$ 214,021</u>	<u>\$ 388,767</u>
MILL LEVY			
General	3.765	5.950	4.254
Debt Service	53.455	58.000	60.376
Total mill levy	<u>57.220</u>	<u>63.950</u>	<u>64.630</u>
PROPERTY TAXES			
General	\$ 42	\$ 1,273	\$ 1,654
Debt Service	601	12,413	23,472
	<u>643</u>	<u>13,686</u>	<u>25,126</u>
Levied property taxes	643	13,686	25,126
Adjustments to actual/rounding	1	-	-
Budgeted property taxes	<u>\$ 644</u>	<u>\$ 13,686</u>	<u>\$ 25,126</u>
BUDGETED PROPERTY TAXES			
General	\$ 93,687	\$ 198,915	\$ 143,633
Debt Service	1,330,154	1,939,006	2,038,542
	<u>\$ 1,423,841</u>	<u>\$ 2,137,921</u>	<u>\$ 2,182,175</u>

**ERIE COMMONS METROPOLITAN DISTRICT NO. 2
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

In accordance with its Service Plan, Erie Commons Metropolitan District No. 2 was formed to provide the funding and tax base needed to support the financing of its operations and capital improvements for the property known as "Erie Commons," which is located in Erie, Colorado. Such improvements include, but are not limited to, sanitation, water, wastewater, streets, traffic and safety controls, and parks and recreation improvements.

The Service Plan provides the ability for the District to impose a maximum mill levy for its debt service requirements as well as a maximum aggregate mill levy for combined debt service and operational and maintenance requirements of the District. The Service Plan also provides a combined new money revenue and general obligation debt limit of \$50,000,000 for Erie Commons District Nos. 1, 2, and 3, exclusive of surety requirements, but inclusive of organizational costs, financing costs and costs of construction and operation of public infrastructure.

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 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 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.

**ERIE COMMONS METROPOLITAN DISTRICT NO. 2
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues – (continued)

Property Taxes – (continued)

For property tax collection year 2025, SB22-238, SB23B-001, SB 24-233 and HB24B-1001 set the assessment rates and actual value reductions as follows:

Category	Rate		Category	Rate		Actual Value Reduction	Amount
Single-Family Residential	6.70%		Agricultural Land	26.40%		Single-Family Residential	\$55,000
Multi-Family Residential	6.70%		Renewable Energy Land	26.40%		Multi-Family Residential	\$55,000
Commercial	27.90%		Vacant Land	27.90%		Commercial	\$30,000
Industrial	27.90%		Personal Property	27.90%		Industrial	\$30,000
Lodging	27.90%		State Assessed	27.90%		Lodging	\$30,000
			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 budget assumes that the District's share will be equal to approximately 4% of the property taxes collected.

Net Investment Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 4%.

Intergovernmental Transfers

The District anticipates that it will receive \$144,113 in pledged revenues from District No. 3 to fund a portion of the debt service obligations of the District.

Expenditures

General and Administrative

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

Intergovernmental Transfers

The District expects to transfer \$43,000 of revenues derived from property taxes and specific ownership taxes to Erie Commons Metropolitan District No. 1 for operating expense.

**ERIE COMMONS METROPOLITAN DISTRICT NO. 2
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures – (continued)

Debt Service

Principal and interest payments are provided based on the debt amortization schedule from the Series 2019A and 2019B Bonds.

Debt and Leases

On December 19, 2019, the District issued the (i) Series 2019A Senior general Obligation Limited Tax Bonds in the aggregate principal amount of \$20,250,000 and (ii) Series 2019B Subordinate General Obligation Limited Tax Bonds in the aggregate principal amount of \$12,400,000 for the purposes of (i) paying and discharging the Series 2009 Bonds; and (ii) paying costs of issuance and other costs in connection with the Bonds.

The Series 2019A Senior Bonds bear interest at 3.5% per annum which is payable semi-annually on June 1 and December 1. The Bonds are subject to optional and mandatory sinking fund redemption prior to maturity. The Bonds mature on December 1, 2049. The Bonds are payable from pledged revenue consisting primarily of property tax revenues and specific ownership tax revenues.

The Series 2019B Subordinate Bonds bear interest at 6.95% per annum which is payable annually on December 15 subject to the extent of available pledged revenues. The Bonds are structured as cash flow bonds meaning there are no scheduled payments on the Bonds prior to their maturity date which is December 15, 2054.

The District has no operating or capital leases.

Reserves

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.

Erie Commons Metropolitan District No. 2
\$20,250,000
Senior General Obligation
Limited Tax Bonds
Series 2019A
December 19, 2019
Interest Rate of 3.00% - 4.00%
Interest Payable June 1 and December 1
Principal Payable December 1

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 295,000	\$ 700,200	\$ 995,200
2026	315,000	685,450	1,000,450
2027	330,000	669,700	999,700
2028	375,000	653,200	1,028,200
2029	395,000	634,450	1,029,450
2030	445,000	614,700	1,059,700
2031	465,000	592,450	1,057,450
2032	520,000	569,200	1,089,200
2033	545,000	543,200	1,088,200
2034	605,000	515,950	1,120,950
2035	635,000	485,700	1,120,700
2036	700,000	453,950	1,153,950
2037	730,000	425,950	1,155,950
2038	795,000	396,750	1,191,750
2039	825,000	364,950	1,189,950
2040	895,000	331,950	1,226,950
2041	920,000	305,100	1,225,100
2042	985,000	277,500	1,262,500
2043	1,015,000	247,950	1,262,950
2044	1,085,000	217,500	1,302,500
2045	1,115,000	184,950	1,299,950
2046	1,185,000	151,500	1,336,500
2047	1,225,000	115,950	1,340,950
2048	1,300,000	79,200	1,379,200
2049	1,340,000	40,200	1,380,200
Total	<u>\$ 19,040,000</u>	<u>\$ 10,257,600</u>	<u>\$ 29,297,600</u>