

THE PLAZA METROPOLITAN DISTRICT NO. 2
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2022

**THE PLAZA METROPOLITAN DISTRICT NO. 2
SUMMARY
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

12/6/21

| | ACTUAL 2020 | ESTIMATED 2021 | BUDGET 2022 |
|---|------------------|-------------------|----------------|
| BEGINNING FUND BALANCES | \$ 13,812 | \$ 14,025 | \$ - |
| REVENUES | | | |
| Property taxes | 327,970 | 325,097 | 308,864 |
| Specific ownership tax | 122,660 | 101,000 | 106,767 |
| Interest income | 577 | 40 | 100 |
| Other revenue | - | - | 15,000 |
| Total revenues | <u>451,207</u> | <u>426,137</u> | <u>430,731</u> |
| Total funds available | <u>465,019</u> | <u>440,162</u> | <u>430,731</u> |
| EXPENDITURES | | | |
| Debt Service Fund | 450,994 | 440,162 | 430,731 |
| Total expenditures | <u>450,994</u> | <u>440,162</u> | <u>430,731</u> |
| Total expenditures and transfers out requiring appropriation | <u>450,994</u> | <u>440,162</u> | <u>430,731</u> |
| ENDING FUND BALANCES | <u>\$ 14,025</u> | <u>\$ -</u> | <u>\$ -</u> |

No assurance provided. See summary of significant assumptions.

THE PLAZA METROPOLITAN DISTRICT NO. 2
PROPERTY TAX SUMMARY INFORMATION
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,

12/6/21

| | ACTUAL 2020 | ESTIMATED 2021 | BUDGET 2022 |
|--------------------------------|----------------------|----------------------|----------------------|
| ASSESSED VALUATION | | | |
| Commercial | \$ 63,690,645 | \$ 63,666,934 | 60,339,233 |
| State assessed | 228,083 | 197,039 | 231,646 |
| Vacant land | 1,596,839 | 1,152,936 | 439,041 |
| | <u>65,515,567</u> | <u>65,016,909</u> | <u>61,009,920</u> |
| Adjustments | (52,269,481) | (52,013,022) | (48,655,380) |
| Certified Assessed Value | <u>\$ 13,246,086</u> | <u>\$ 13,003,887</u> | <u>\$ 12,354,540</u> |
| | | | |
| MILL LEVY | | | |
| Debt Service | 25.000 | 25.000 | 25.000 |
| Total mill levy | <u>25.000</u> | <u>25.000</u> | <u>25.000</u> |
| | | | |
| PROPERTY TAXES | | | |
| Debt Service | \$ 331,152 | \$ 325,097 | \$ 308,864 |
| | <u>331,152</u> | <u>325,097</u> | <u>308,864</u> |
| Levied property taxes | 331,152 | 325,097 | 308,864 |
| Adjustments to actual/rounding | (3,182) | - | - |
| Budgeted property taxes | <u>\$ 327,970</u> | <u>\$ 325,097</u> | <u>\$ 308,864</u> |
| | | | |
| BUDGETED PROPERTY TAXES | | | |
| Debt Service | <u>\$ 327,970</u> | <u>\$ 325,097</u> | <u>\$ 308,864</u> |
| | <u>\$ 327,970</u> | <u>\$ 325,097</u> | <u>\$ 308,864</u> |

No assurance provided. See summary of significant assumptions.

**THE PLAZA METROPOLITAN DISTRICT NO. 2
GENERAL FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

12/6/21

| | ACTUAL 2020 | ESTIMATED 2021 | BUDGET 2022 |
|---|----------------|-------------------|----------------|
| BEGINNING FUND BALANCE | \$ - | \$ - | \$ - |
| REVENUES | | | |
| Total revenues | - | - | - |
| Total funds available | - | - | - |
| EXPENDITURES | | | |
| Total expenditures | - | - | - |
| Total expenditures and transfers out requiring appropriation | - | - | - |
| ENDING FUND BALANCE | \$ - | \$ - | \$ - |

No assurance provided. See summary of significant assumptions.

**THE PLAZA METROPOLITAN DISTRICT NO. 2
DEBT SERVICE FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

12/6/21

| | ACTUAL 2020 | ESTIMATED 2021 | BUDGET 2022 |
|---|------------------|-------------------|----------------|
| BEGINNING FUND BALANCE | \$ 13,812 | \$ 14,025 | \$ - |
| REVENUES | | | |
| Property taxes | 327,970 | 325,097 | 308,864 |
| Specific ownership tax | 122,660 | 101,000 | 106,767 |
| Interest income | 577 | 40 | 100 |
| Other revenue | - | - | 15,000 |
| Total revenues | <u>451,207</u> | <u>426,137</u> | <u>430,731</u> |
| Total funds available | <u>465,019</u> | <u>440,162</u> | <u>430,731</u> |
| EXPENDITURES | | | |
| County Treasurer's fee | 4,920 | 4,876 | 4,633 |
| Transfers to Plaza Metro District No. 1 | 446,074 | 435,286 | 411,098 |
| Contingency | - | - | 15,000 |
| Total expenditures | <u>450,994</u> | <u>440,162</u> | <u>430,731</u> |
| Total expenditures and transfers out requiring appropriation | <u>450,994</u> | <u>440,162</u> | <u>430,731</u> |
| ENDING FUND BALANCE | <u>\$ 14,025</u> | <u>\$ -</u> | <u>\$ -</u> |

No assurance provided. See summary of significant assumptions.

**THE PLAZA METROPOLITAN DISTRICT NO. 2
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District was organized by Court Order on January 2, 2001, to provide construction, installation, financing and operation of public improvements, including streets, drainage improvements, traffic and safety controls, park and recreation facilities, water, sewer, television relay and translators, mosquito and pest control, and other improvements needed for the Development. The District was organized in conjunction with other related districts, Plaza Metropolitan District No. 1 and Plaza Metropolitan District No. 3. Under the consolidated Service Plan, District No. 1 is to be the Service District and District Nos. 2 and 3 are to be the Financing Districts. The Service District will finance the majority, construct all, and may own and operate some of the public facilities. The Financing Districts will generate the majority of tax revenues sufficient to pay the costs of the capital improvements. The District's service area is located entirely within the City of Lakewood, Jefferson County, Colorado.

On November 7, 2000, District electors approved revenue indebtedness of \$100,000,000 for street improvements, \$7,000,000 for traffic safety, \$25,000,000 for parks and recreation, \$36,000,000 for water supply system, \$35,000,000 for sanitary sewer system, \$12,000,000 for television relay system, \$12,000,000 for public transportation, \$7,000,000 for mosquito control, \$246,000,000 for debt associated with intergovernmental contracts, \$241,000,000 for refinancing of District debt, and \$7,000,000 for general operations and maintenance. The election also approved an annual increase in taxes of \$200,000 for general operations and maintenance, and \$5,000,000 in revenues other than ad valorem taxes.

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.

Under the consolidated Service Plan, the District is limited to the imposition of a mill levy in an amount not to exceed 25 mills; provided, however, that in the event the method of calculating assessed valuation is changed after the date of approval of the Service Plan, the mill levy limitation provided for the District will be automatically increased or decreased to reflect such changes, so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted, are neither diminished nor enhanced as a result of such changes. For the purposes of the foregoing, a change in the ratio of

**THE PLAZA METROPOLITAN DISTRICT NO. 2
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues – (continued)

actual valuation to assessed valuation shall be deemed to be a change in the method of calculating assessed valuation. On December 3, 2002, the date of the consolidated Service Plan, the ratio of actual valuation to assessed valuation was 9.15% and currently the ratio is at 7.15%. Since the District contains virtually no residential property, the District's mill levy will remain at 25.000 mills.

The calculation of the taxes levied is displayed on the Property Tax Summary page of the Budget at 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 7% of the property taxes collected on the gross Assessed Value.

Net Investment Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 0.1%.

Expenditures

Administrative Expenditures

All administrative functions for the District are to be performed by District No. 1.

County Treasurer's Fees

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

Transfers to Other Districts

The District anticipates transferring all tax revenue in the total amount of \$411,098 to District No. 1's debt service fund.

Reserves

Emergency Reserve

Under the consolidated Service Plan and Master Intergovernmental Agreement, the District transfers all of its revenues to District No. 1, which has provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending for 2022, as defined under TABOR.

Debt and Leases

The District has no debt issued and has no operating or capital leases.

This information is an integral part of the accompanying budget.