

COLORADO TECH CENTER METROPOLITAN DISTRICT

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2023

**COLORADO TECH CENTER METROPOLITAN DISTRICT
SUMMARY
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

12/6/22

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ 747,481	\$ 1,573,988	\$ 2,763,137
REVENUES			
Property taxes	1,414,456	1,695,897	1,167,074
Specific ownership taxes	70,834	71,374	46,683
Interest income	1,525	17,800	43,660
Lift Station reimbursement	24,756	70,732	-
Total revenues	<u>1,511,571</u>	<u>1,855,803</u>	<u>1,257,417</u>
Total funds available	<u>2,259,052</u>	<u>3,429,791</u>	<u>4,020,554</u>
EXPENDITURES			
General Fund	68,028	47,480	75,000
Debt Service Fund	613,501	614,154	609,000
Debt Service Fund - Subdistrict	3,535	5,020	235,000
Total expenditures	<u>685,064</u>	<u>666,654</u>	<u>919,000</u>
Total expenditures and transfers out requiring appropriation	<u>685,064</u>	<u>666,654</u>	<u>919,000</u>
ENDING FUND BALANCES	<u>\$ 1,573,988</u>	<u>\$ 2,763,137</u>	<u>\$ 3,101,554</u>
EMERGENCY RESERVE	\$ 7,300	\$ 7,100	\$ 6,800
2015 BOND RESERVE	794,974	1,555,505	1,762,008
SUBDISTRICT SURPLUS FUND	122,088	292,100	277,448
TOTAL RESERVE	<u>\$ 924,362</u>	<u>\$ 1,854,705</u>	<u>\$ 2,046,256</u>

No assurance provided. See summary of significant assumptions.

**COLORADO TECH CENTER METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

12/6/22

ACTUAL	ESTIMATED	BUDGET
2021	2022	2023

ASSESSED VALUATION

Commercial	\$ 19,670,758	\$ 19,308,072	23,666,603
Industrial	106,155,553	126,441,406	127,539,278
State assessed	422,685	451,678	749,553
Vacant land	2,979,199	2,849,279	2,928,660
Personal property	36,557,694	37,666,549	37,666,549
Certified Assessed Value	\$ 165,785,889	\$ 186,716,984	\$ 192,550,643

MILL LEVY

General	0.910	0.873	0.893
Series 2015 Bonds	7.300	7.300	4.107
Total mill levy	8.210	8.173	5.000

PROPERTY TAXES

General	\$ 150,865	\$ 163,004	\$ 171,948
Series 2015 Bonds	1,210,237	1,363,034	790,805
Levied property taxes	1,361,102	1,526,038	962,753
Adjustments to actual/rounding	(22,101)	-	-
Delinquent Taxes	6,424	1,848	-
Budgeted property taxes	\$ 1,345,425	\$ 1,527,886	\$ 962,753

BUDGETED PROPERTY TAXES

General	\$ 149,127	\$ 163,201	\$ 171,948
Debt Service	1,196,298	1,364,685	790,805
	\$ 1,345,425	\$ 1,527,886	\$ 962,753

No assurance provided. See summary of significant assumptions.

**COLORADO TECH CENTER METROPOLITAN DISTRICT - SUBDISTRICT
PROPERTY TAX SUMMARY INFORMATION
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/5/23

ACTUAL	ESTIMATED	BUDGET
2021	2022	2023

ASSESSED VALUATION - SUBDISTRICT
Certified Assessed Value

	\$ 4,930,800	\$ 12,000,800	\$ 14,594,345
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MILL LEVY - SUBDISTRICT
Series 2018

	14.000	14.000	14.000
Total mill levy	14.000	14.000	14.000

PROPERTY TAXES - SUBDISTRICT
Series 2018

	69,031	168,011	204,321
Budgeted property taxes	\$ 69,031	\$ 168,011	\$ 204,321

BUDGETED PROPERTY TAXES - SUBDISTRICT
Debt Service

	69,031	168,011	204,321
	\$ 69,031	\$ 168,011	\$ 204,321

No assurance provided. See summary of significant assumptions.

**COLORADO TECH CENTER METROPOLITAN DISTRICT
GENERAL FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

12/6/22

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 483,397	\$ 656,926	\$ 913,675
REVENUES			
Property taxes	149,127	163,201	171,948
Specific ownership taxes	67,415	64,296	38,510
Interest income	259	6,000	14,721
Lift Station reimbursement	24,756	70,732	-
Total revenues	<u>241,557</u>	<u>304,229</u>	<u>225,179</u>
Total funds available	<u>724,954</u>	<u>961,155</u>	<u>1,138,854</u>
EXPENDITURES			
General and administrative			
Accounting	14,990	20,000	23,000
Audit	3,400	3,800	4,000
Treasurer's fees	2,239	2,448	2,579
Director's fees	100	200	2,000
Dues and subscriptions	156	389	500
Insurance	3,704	4,500	4,500
District management	11,740	10,000	15,000
Legal	5,366	3,000	10,000
Miscellaneous expenses	-	75	1,000
OA support	20,000	-	-
Sponsorship	6,325	1,265	7,000
Payroll taxes	8	15	-
Election expense	-	1,288	2,500
Website	-	500	2,500
Contingency	-	-	421
Operations and maintenance			
Total expenditures	<u>68,028</u>	<u>47,480</u>	<u>75,000</u>
Total expenditures and transfers out requiring appropriation	<u>68,028</u>	<u>47,480</u>	<u>75,000</u>
ENDING FUND BALANCE	<u>\$ 656,926</u>	<u>\$ 913,675</u>	<u>\$ 1,063,854</u>
EMERGENCY RESERVE	<u>\$ 7,300</u>	<u>\$ 7,100</u>	<u>\$ 6,800</u>
TOTAL RESERVE	<u>\$ 7,300</u>	<u>\$ 7,100</u>	<u>\$ 6,800</u>

No assurance provided. See summary of significant assumptions.

**COLORADO TECH CENTER METROPOLITAN DISTRICT
DEBT SERVICE FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

12/6/22

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 210,941	\$ 794,974	\$ 1,555,505
REVENUES			
Property taxes	1,196,298	1,364,685	790,805
Interest income	1,236	10,000	24,698
Total revenues	<u>1,197,534</u>	<u>1,374,685</u>	<u>815,503</u>
Total funds available	<u>1,408,475</u>	<u>2,169,659</u>	<u>2,371,008</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	17,961	20,470	11,862
Contingency	-	-	538
Debt Service			
Bond principal - 2015 Series	520,000	530,000	545,000
Bond interest - 2015 Series	75,240	63,384	51,300
Paying agent fees	300	300	300
Total expenditures	<u>613,501</u>	<u>614,154</u>	<u>609,000</u>
Total expenditures and transfers out requiring appropriation	<u>613,501</u>	<u>614,154</u>	<u>609,000</u>
ENDING FUND BALANCE	<u>\$ 794,974</u>	<u>\$ 1,555,505</u>	<u>\$ 1,762,008</u>

No assurance provided. See summary of significant assumptions.

**COLORADO TECH CENTER METROPOLITAN DISTRICT SUBDISTRICT
DEBT SERVICE FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

12/6/22

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 53,143	\$ 122,088	\$ 293,957
REVENUES			
Property taxes	69,031	168,011	204,321
Specific ownership taxes	3,419	7,078	8,173
Interest income	30	1,800	4,241
Total revenues	<u>72,480</u>	<u>176,889</u>	<u>216,735</u>
Total funds available	<u>125,623</u>	<u>298,977</u>	<u>510,692</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	1,035	2,520	3,065
Contingency	-	-	35
Paying agent fees	2,500	2,500	2,500
Debt Service			
Bond principal - 2018 Series	-	-	35,000
Bond interest - 2018 Series	-	-	194,400
Total expenditures	<u>3,535</u>	<u>5,020</u>	<u>235,000</u>
Total expenditures and transfers out requiring appropriation	<u>3,535</u>	<u>5,020</u>	<u>235,000</u>
ENDING FUND BALANCE	<u>\$ 122,088</u>	<u>\$ 293,957</u>	<u>\$ 275,692</u>
SURPLUS FUND (Maximum: \$292,100)	\$ 122,088	\$ 292,100	\$ 277,448
AVAILABLE FOR DEBT SERVICE		1,857	-
TOTAL RESERVE	<u>\$ 122,088</u>	<u>\$ 293,957</u>	<u>\$ 277,448</u>

No assurance provided. See summary of significant assumptions.

**COLORADO TECH CENTER METROPOLITAN DISTRICT
2023 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 Boulder County on July 12, 1983, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District serves a commercial office park area in Boulder County. The District was established primarily to provide financing for streets, safety protection, transportation, water, sewer, and parks and recreation improvements.

The Subdistrict, a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by Colorado Tech Center Metropolitan District (the "District") by Resolution of Louisville City ("City") Council on December 19, 2017, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The primary objective of the Subdistrict is to furnish public improvements for the Louisville Corporate Campus at Colorado Tech Center Planned Unit Development ("Development"). The Subdistrict was formed to assist in the funding, construction and acquisition of such public improvements within the boundaries of the Subdistrict, limited to public improvements authorized under the City-Approved Plans within the categories of street improvements, park and recreation related improvements, water distribution system, sanitary sewer system, storm sewer and detention facilities.

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.

Senate Bill 21-293 among other things, designates multi-family residential real property (defined generally, as property that is a multi-structure of four or more units) as a new subclass of residential real property. For tax collection year 2023, the assessment rate for single family residential property decreases to 6.95% from 7.15%. The rate for multifamily residential property, the newly created subclass, decreases to 6.80% from 7.15%. Agricultural and renewable energy production property decreases to 26.4% from 29.0%. Producing oil and gas remains at 87.5%. All other nonresidential property stays at 29%.

**COLORADO TECH CENTER METROPOLITAN DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues – (continued)

Property Taxes (continued)

The calculation of the taxes levied is displayed on Property Tax Summary Information 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 forecast 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 1.5%.

Sanitary Sewer Lift Station Reimbursement

On April 24, 2007, the District entered into a reimbursement agreement with the City in regard to the construction of a sanitary sewer lift station to serve a portion of the property located within the District's boundaries. In addition to serving property within the District, there are six parcels that are identified as the benefited area for this lift station that are outside the District boundaries. The City will collect a reimbursement fee from each of the property owners of these six parcels at the time the first building permit for each parcel is applied for. The reimbursement fee shall be a pro rata share of the total cost of the lift station based upon that parcel's acreage as compared to the total acreage of property served by the lift station. Any fees collected by the City will be held by the City in a separate interest-bearing account and remitted to the District on no less than a quarterly basis, until the total amount due from the six parcels is paid or 15 years has elapsed from the date of final acceptance, whichever comes first. The District received final acceptance of the lift station on November 5, 2010. Therefore, the period that the city will collect reimbursement fees under this agreement will end on November 5, 2025.

The three remaining parcels and amounts owed to the District under this agreement are as follows:

<u>Parcels Within Benefitted Area</u>	<u>Total Acreage</u>	<u>Percent of Total Area Served</u>	<u>Final Reimbursement</u>
Bennett Parcel (Property No. 1)	5.0	0.9%	\$ 10,610
Self Parcel (Property No. 3)	4.0	0.7%	8,252
Games Parcel (Property No. 4)	5.4	0.9%	10,610
Total			<u>\$ 29,472</u>

Expenditures

General and Administration

General and administration expenditures include the services necessary to maintain the District's administrative viability such as accounting and audit, management, and meeting expenses.

**COLORADO TECH CENTER METROPOLITAN DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures – (continued)

Debt Service

Principal and interest payments are provided based on the debt amortization schedule from the Series 2015 and Series 2018 General Obligation Bonds and as detailed on the Debt Service Fund Information page of the budget (discussed under Debt and Leases).

Debt and Leases

General Obligation Refunding Bonds, Series 2015, Full Refunding of Series 2007, were issued April 30, 2015, in the original amount of \$5,935,000. The Bonds were issued to fully refund the Series 2007 Bonds and provided \$1,155,737 for capital projects. Such bonds bear interest at the rate of 2.280% per annum, payable semiannually on each June 1 and December 1 with principal payments beginning December 1, 2015, through December 1, 2026, without redemption premium. The bonds are not subject to optional redemption prior to the maturity date on December 1, 2026.

Colorado Tech Center Metropolitan District Subdistrict Convertible Capital Appreciation Limited Tax General Obligation Bonds, Series 2018. On July 3, 2018, the Subdistrict issued the Series 2018 bonds in the amount of \$2,496,258 for the purpose of: (a) paying Project Costs; and (b) paying costs incidental to the issuance and delivery of the Bonds. The Bonds will mature on December 1, 2047. The 2018 Bonds bear interest at the rate of 6.00% per annum, calculated on the basis of a 360-day year of twelve 30-day months, payable to the extent of Pledged Revenue available. Interest is payable on June 1 and December 1 of each year, commencing June 1, 2023.

Prior to the Conversion Date, the Bonds shall pay no current interest and will accumulate in value, compounding semi-annually on each June 1 and December 1, commencing December 1, 2018, from their date of delivery until the Conversion Date. On and after the Conversion Date and until maturity or prior redemption, principal of the Bonds shall be paid to the extent of Pledged Revenue available therefor annually on December 1 each year, commencing December 1, 2023, pursuant to mandatory sinking fund redemption installments. To the extent principal of any Bond is not paid when due, such principal shall remain outstanding until paid and to the extent interest on any Bond is not paid when due, such unpaid interest shall compound semi-annually on each June 1 and December 1 at the rate then borne by the Bond until paid.

An ad valorem mill levy (a mill being equal to 1/10 of 1 cent) imposed upon all taxable property of the Subdistrict each year in an amount sufficient to pay the principal of and interest on the Bonds as the same become due and payable, but not in excess of 18.200 mills, and in any year in which the amount on deposit in the Surplus Fund is less than the Maximum Surplus Amount, not less than 14.000 mills.

The Bonds are subject to redemption prior to maturity, at the option of the Subdistrict, as a whole or, if prior to the Conversion Date, in integral multiples of \$0.01 and, if on or after the Conversion Date, in integral multiples of \$1,000; in any order of maturity and in whole or partial maturities, on any date, upon payment of (i) if prior to the Conversion Date, the Accreted Value as of the date of redemption and (ii) if on or after the Conversion Date, the principal amount so redeemed plus accrued interest thereon to the date of redemption, without redemption premium.

**COLORADO TECH CENTER METROPOLITAN DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases – (continued)

The Bonds are subject to mandatory sinking fund redemption on December 1, 2023, and on each December 1 thereafter prior to the maturity date of the Bonds, upon payment of par and accrued interest, without redemption premium. The Trustee shall elect for redemption on or before 45 days prior to each sinking fund installment date for such maturity.

The 2018 bonds are secured by a Surplus Fund up to a maximum amount of \$292,100.

All Debt issued by the Subdistrict and operation expenses may be payable from any and all legally available revenues of the Subdistrict, including general ad valorem taxes to be imposed upon all taxable property within the Subdistrict, which shall not exceed thirty five (35) mills for both debt and operations except as otherwise allowed by the Service Plan.

The District has no operating or capital leases.

Reserve Funds

Emergency Reserves

The District has provided for an Emergency Reserve equal to at least 3% of fiscal year spending as defined under TABOR, included in Fund Balance.

General Reserve

The District has also provided for a general reserve for future operating contingencies and improvements which is included in the Fund Balance.

This information is an integral part of the accompanying budget.

**COLORADO TECH CENTER METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

	\$5,935,000	
	General Obligation	
	Refunding and Improvement Bonds	
	Series 2015	
	Refunding of Series 2007	
	Dated April 30, 2015	
	Interest Rate 2.280%	
	Interest Payable June 1,	
	December 1	
	Principal Due December 1	
Bonds/Notes and Interest	Principal	Interest
Maturing in the Year		
Ending December 31,		
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2023	\$ 545,000	\$ 51,300
2024	555,000	38,874
2025	570,000	26,220
2026	580,000	13,224
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	\$ 2,780,000	\$ 193,002
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No assurance provided. See summary of significant assumptions.

**COLORADO TECH CENTER METROPOLITAN DISTRICT SUBDISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

**\$3,240,000
Limited Tax General Obligation Bonds
Series 2018
Dated July 3, 2018
Interest Rate 6.00%
Interest Payable June 1,
December 1
Principal Due December 1**

Bonds/Notes and Interest Maturing in the Year Ending December 31,	Principal	Interest	Total
2023	\$ 35,000	194,400	\$ 229,400
2024	45,000	192,300	237,300
2025	45,000	189,600	234,600
2026	55,000	186,900	241,900
2027	55,000	183,600	238,600
2028	65,000	180,300	245,300
2029	65,000	176,400	241,400
2030	75,000	172,500	247,500
2031	80,000	168,000	248,000
2032	90,000	163,200	253,200
2033	95,000	157,800	252,800
2034	105,000	152,100	257,100
2035	115,000	145,800	260,800
2036	125,000	138,900	263,900
2037	135,000	131,400	266,400
2038	145,000	123,300	268,300
2039	155,000	114,600	269,600
2040	170,000	105,300	275,300
2041	180,000	95,100	275,100
2042	195,000	84,300	279,300
2043	210,000	72,600	282,600
2044	225,000	60,000	285,000
2045	240,000	46,500	286,500
2046	260,000	32,100	292,100
2047	275,000	16,500	291,500
Total	\$ 3,240,000	\$ 3,283,500	\$ 6,523,500

No assurance provided. See summary of significant assumptions.