

**ERIE COMMONS METROPOLITAN DISTRICT NO. 2  
GOVERNMENTAL FUND**

	2019	2020		Projected Final	2021 BUDGET		
	Actual Final	Original Budget	Amended Budget (if applicable)		General Fund Budget	Debt Service Budget	Total Budget
<b>REVENUE</b>							
Taxes							
Property	\$ 1,363,622	\$ 1,610,947	\$ 1,486,361	\$ 1,486,361	\$ 87,377	\$ 1,240,400	\$ 1,327,776
Specific ownership	92,681	108,739	76,465	76,465	5,243	74,424	79,667
TIF							
Intergovernmental							
Transfers from Erie Commons MD No. 1	24,904	14,850	10,595	10,595	-	-	-
Transfers from Erie Commons MD No. 3	-	2,247	2,197	2,197	-	71,738	71,738
Investment income	11,726	3,000	599	599	-	-	-
Other	-	-	-	-	-	-	-
<b>Total revenue</b>	<b>\$ 1,492,933</b>	<b>\$ 1,739,783</b>	<b>\$ 1,576,216</b>	<b>\$ 1,576,216</b>	<b>\$ 92,619</b>	<b>\$ 1,386,562</b>	<b>\$ 1,479,181</b>
<b>EXPENDITURES</b>							
Current							
Treasurer Fees	20,468	24,164	22,305	22,305	1,311	18,606	19,917
Insurance	2,279	2,250	13,119	13,119	13,500	-	13,500
Accounting fees	-	-	5,425	5,425	5,000	-	5,000
Audit	9,390	11,000	10,395	10,395	10,500	-	10,500
Legal fees	-	-	-	-	5,000	-	5,000
Director fees	500	600	300	300	260	-	260
Miscellaneous	8,130	1,000	1,074	1,074	2,000	-	2,000
<b>Subtotal current expenses</b>	<b>40,766</b>	<b>39,014</b>	<b>52,618</b>	<b>52,618</b>	<b>37,571</b>	<b>18,606</b>	<b>56,177</b>
Capital outlay							
Work in process	-	-	-	-	-	-	-
<b>Subtotal capital outlay</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Intergovernmental							
Transfers to Erie Commons MD No. 1	34,471,356	100,000	69,524	69,524	75,000	-	75,000
Transfers to Erie Commons MD No. 3	-	-	-	-	-	-	-
<b>Subtotal intergovernmental</b>	<b>34,471,356</b>	<b>100,000</b>	<b>69,524</b>	<b>69,524</b>	<b>75,000</b>	<b>-</b>	<b>75,000</b>
Debt Service							
Loan Fees	730,212	-	8,479	8,479	-	-	-
Custodial / trustee fees	-	-	6,000	6,000	-	8,000	8,000
Principal							
Series 2019A Limited Tax G.O. Bonds	-	215,000	215,000	215,000	-	200,000	200,000
Series 2019B Sub Limited Tax G.O. Bonds	-	175,996	93,358	93,358	-	-	-
Interest							
Series 2019A Limited Tax G.O. Bonds	-	722,665	722,665	722,665	-	749,950	749,950
Series 2019B Sub Limited Tax G.O. Bonds	-	472,531	472,531	472,531	-	410,006	410,006
<b>Subtotal debt service</b>	<b>730,212</b>	<b>1,586,192</b>	<b>1,518,034</b>	<b>1,518,034</b>	<b>-</b>	<b>1,367,956</b>	<b>1,367,956</b>
<b>Total expenditures</b>	<b>\$ 35,242,335</b>	<b>\$ 1,725,206</b>	<b>\$ 1,640,176</b>	<b>\$ 1,640,176</b>	<b>\$ 112,571</b>	<b>\$ 1,386,562</b>	<b>\$ 1,499,133</b>
<b>(DEFICIENCY) OF REVENUE OVER EXPENDITURES</b>	<b>\$ (33,749,402)</b>	<b>\$ 14,577</b>	<b>\$ (63,960)</b>	<b>\$ (63,960)</b>	<b>\$ (19,951)</b>	<b>\$ -</b>	<b>\$ (19,951)</b>
<b>OTHER FINANCING SOURCES</b>							
Debt proceeds	-	-	-	-	-	-	-
Developer Advances received	34,013,264	-	-	-	-	-	-
Change in working capital	(238,763)	-	(7,835)	(7,835)	-	-	-
<b>Total other financing sources</b>	<b>\$ 33,774,501</b>	<b>\$ -</b>	<b>\$ (7,835)</b>	<b>\$ (7,835)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>25,099</b>	<b>14,577</b>	<b>(71,795)</b>	<b>(71,795)</b>	<b>(19,951)</b>	<b>-</b>	<b>(19,951)</b>
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<b>99,856</b>	<b>124,955</b>	<b>124,955</b>	<b>124,955</b>	<b>53,160</b>	<b>-</b>	<b>53,160</b>
<b>FUND BALANCE - END OF CURRENT PERIOD</b>	<b>\$ 124,955</b>	<b>\$ 139,532</b>	<b>\$ 53,160</b>	<b>\$ 53,160</b>	<b>\$ 33,208</b>	<b>\$ -</b>	<b>\$ 33,208</b>
	-	0	-	-			-

## **ERIE COMMONS METROPOLITAN DISTRICT NO. 2**

### **2021 BUDGET**

#### **SUMMARY OF SIGNIFICANT ASSUMPTIONS**

##### **Services Provided**

In accordance with its Service Plan, Erie Commons Metropolitan District No. 2 (the "District"), was formed to provide the funding and tax base needed to support the financing of the 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, as amended, 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.

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

The District prepares its budget on the modified accrual basis of accounting and the budget has been adopted after proper postings, publications and public hearing.

##### **Revenue**

###### **Ad Valorem Property Taxes**

The primary source of revenue for the District is property taxes. Property taxes are assessed and collected based upon the assessed value of all of the non-exempt property located within the District. The District adopts mill levies for debt service and for operations which, when combined with the District's other sources of revenue, provide sufficient resources to pay the required debt service (if any), capital purchases and the estimated costs of operations for the calendar year.

Pursuant to the Service Plan and the Gallagher Amendment, the maximum mill levy limit increased to 55.663 mills in 2019. The District adopted a mill levy of 52.000 mills for debt service and 3.663 mills for operating expenses in 2021.

The total taxable assessed valuation within the District in 2020 was \$23,853,840, a decrease of \$5,087,230 from the 2019 valuation.

###### **Specific Ownership Tax**

Specific ownership tax revenue is collected on annual motor vehicle registrations within Weld County and is distributed based upon the proportion of property taxes levied within the County during the preceding calendar year. The specific ownership tax revenue is estimated to be 6.00% of the ad valorem property taxes collected in 2021.

###### **Transfers from District No. 3**

The District anticipates that it will receive \$71,738 in pledged revenues from District No. 3 to fund a portion of the debt service obligations of the District.

### **Expenditures**

#### **Transfers to District No. 1**

The District anticipates that it will transfer \$75,000 of revenues derived from ad valorem property taxes and specific ownership taxes to District No. 1 for operating expenses.

#### **Administrative**

Administrative expenditures have been estimated based upon the level of expenditures incurred by the District in prior years.

#### **Debt Service**

The 2021 budget anticipates that the District will fund its debt service obligations for the 2019A Senior Bonds in the amount of \$205,000 in principal and \$749,950 in interest. In addition, the District expects to pay \$410,006 in interest on the 2019B Subordinate Bonds.

### **Reserve Funds**

The District has provided for an emergency reserve equal to \$33,208, which is intended for use on any unanticipated expenditures in 2021. Such emergency reserve is an integral part of the Ending Fund Balance.

### **Leases**

The District has no operating or capital leases.