

WESTVIEW METROPOLITAN DISTRICT

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2024

**WESTVIEW METRO DISTRICT
SUMMARY
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

12/19/23

| | ACTUAL 2022 | ESTIMATED 2023 | BUDGET 2024 |
|---|-------------------|-------------------|-------------------|
| BEGINNING FUND BALANCES | \$ 217,381 | \$ 255,336 | \$ 286,547 |
| REVENUES | | | |
| Property taxes | 179,637 | 189,834 | 235,525 |
| Property taxes - Frederick Contribution | 11,466 | 12,117 | 15,033 |
| Specific ownership taxes | 10,622 | 7,870 | 9,421 |
| Specific ownership taxes - Frederick Contribution | 678 | 502 | 601 |
| Interest income | 4,404 | 13,132 | 15,251 |
| Total revenues | <u>206,807</u> | <u>223,455</u> | <u>275,831</u> |
| Total funds available | <u>424,188</u> | <u>478,791</u> | <u>562,378</u> |
| EXPENDITURES | | | |
| General Fund | 54,026 | 58,502 | 69,000 |
| Debt Service Fund | 114,826 | 133,742 | 135,000 |
| Total expenditures | <u>168,852</u> | <u>192,244</u> | <u>204,000</u> |
| Total expenditures and transfers out requiring appropriation | <u>168,852</u> | <u>192,244</u> | <u>204,000</u> |
| ENDING FUND BALANCES | <u>\$ 255,336</u> | <u>\$ 286,547</u> | <u>\$ 358,378</u> |
| EMERGENCY RESERVE | \$ 1,600 | \$ 1,700 | \$ 2,100 |
| SENIOR RESERVE FUND | 153,188 | 153,188 | 153,188 |
| SENIOR SURPLUS FUND | 93,206 | 128,236 | 201,067 |
| TOTAL RESERVE | <u>\$ 247,994</u> | <u>\$ 283,124</u> | <u>\$ 356,355</u> |

No assurance provided. See summary of significant assumptions.

**WESTVIEW METRO DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

12/19/23

| ACTUAL 2022 | ESTIMATED 2023 | BUDGET 2024 |
|----------------|-------------------|----------------|
|----------------|-------------------|----------------|

ASSESSED VALUATION

| | | | |
|--------------------------|--------------|--------------|--------------|
| Residential | \$ 3,071,900 | \$ 3,449,610 | \$ 3,697,340 |
| Commercial | - | 270 | 1,100 |
| Oil and Gas - Pipeline | - | - | 22,230 |
| State assessed | 78,340 | 11,170 | 9,050 |
| Vacant land | 279,810 | 1,410 | 1,380 |
| Personal property | - | 75,260 | 51,700 |
| Certified Assessed Value | \$ 3,430,050 | \$ 3,537,720 | \$ 3,782,800 |

MILL LEVY

| | | | |
|------------------------|--------|--------|--------|
| General | 11.133 | 11.417 | 13.247 |
| Debt Service | 41.191 | 42.243 | 49.015 |
| Frederick Contribution | 3.340 | 3.425 | 3.974 |
| Total mill levy | 55.664 | 57.085 | 66.236 |

PROPERTY TAXES

| | | | |
|--------------------------------|------------|------------|------------|
| General | \$ 38,187 | \$ 40,390 | \$ 50,111 |
| Debt Service | 141,287 | 149,444 | 185,414 |
| Frederick Contribution | 11,456 | 12,117 | 15,033 |
| Levied property taxes | 190,930 | 201,951 | 250,558 |
| Adjustments to actual/rounding | 173 | - | - |
| Budgeted property taxes | \$ 191,103 | \$ 201,951 | \$ 250,558 |

BUDGETED PROPERTY TAXES

| | | | |
|------------------------|------------|------------|------------|
| General | 38,222 | \$ 40,390 | \$ 50,111 |
| Debt Service | 141,415 | 149,444 | 185,414 |
| Frederick Contribution | 11,466 | 12,117 | 15,033 |
| Total | \$ 191,103 | \$ 201,951 | \$ 250,558 |

**WESTVIEW METRO DISTRICT
GENERAL FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

12/19/23

| | ACTUAL 2022 | ESTIMATED 2023 | BUDGET 2024 |
|---|----------------|-------------------|----------------|
| BEGINNING FUND BALANCES | \$ 10,315 | \$ 8,942 | \$ 5,123 |
| REVENUES | | | |
| Property taxes | 38,222 | 40,390 | 50,111 |
| Property taxes - Frederick Contribution | 11,466 | 12,117 | 15,033 |
| Specific ownership taxes | 2,260 | 1,674 | 2,004 |
| Specific ownership taxes - Frederick Contrib | 678 | 502 | 601 |
| Interest income | 27 | - | 251 |
| Total revenues | 52,653 | 54,683 | 68,000 |
| Total funds available | 62,968 | 63,625 | 73,123 |
| EXPENDITURES | | | |
| General and administrative | | | |
| Accounting | 17,292 | 24,000 | 20,000 |
| Auditing | 5,400 | 5,900 | 6,500 |
| Contribution payment to Town of Frederick | 11,979 | 12,437 | 15,409 |
| County Treasurer's fee | 573 | 606 | 752 |
| County Treasurer's fee - Frederick Contribu | 172 | 182 | 225 |
| Dues and membership | 317 | 315 | 500 |
| Election | 2,264 | 1,591 | - |
| Insurance | 2,518 | 2,571 | 3,500 |
| Legal | 9,083 | 10,000 | 20,000 |
| Miscellaneous | 4,428 | 900 | 1,500 |
| Contingency | - | - | 614 |
| Total expenditures | 54,026 | 58,502 | 69,000 |
| Total expenditures and transfers out requiring appropriation | 54,026 | 58,502 | 69,000 |
| ENDING FUND BALANCES | \$ 8,942 | \$ 5,123 | \$ 4,123 |
| EMERGENCY RESERVE | \$ 1,600 | \$ 1,700 | \$ 2,100 |
| TOTAL RESERVE | \$ 1,600 | \$ 1,700 | \$ 2,100 |

**WESTVIEW METRO DISTRICT
DEBT SERVICE FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

12/19/23

| | ACTUAL 2022 | ESTIMATED 2023 | BUDGET 2024 |
|---|-------------------|-------------------|-------------------|
| BEGINNING FUND BALANCES | \$ 207,066 | \$ 246,394 | \$ 281,424 |
| REVENUES | | | |
| Property taxes | 141,415 | 149,444 | 185,414 |
| Specific ownership taxes | 8,362 | 6,196 | 7,417 |
| Interest income | 4,377 | 13,132 | 15,000 |
| Total revenues | <u>154,154</u> | <u>168,772</u> | <u>207,831</u> |
| Total funds available | <u>361,220</u> | <u>415,166</u> | <u>489,255</u> |
| EXPENDITURES | | | |
| Debt Service | | | |
| County Treasurer's fee | 2,120 | 2,242 | 2,781 |
| Paying agent fees | 7,000 | 7,000 | 7,000 |
| Contingency | - | - | 5,794 |
| Bond interest | 100,706 | 104,500 | 99,425 |
| Bond Principal | 5,000 | 20,000 | 20,000 |
| Total expenditures | <u>114,826</u> | <u>133,742</u> | <u>135,000</u> |
| Total expenditures and transfers out requiring appropriation | <u>114,826</u> | <u>133,742</u> | <u>135,000</u> |
| ENDING FUND BALANCES | <u>\$ 246,394</u> | <u>\$ 281,424</u> | <u>\$ 354,255</u> |
| SENIOR RESERVE FUND | \$ 153,188 | \$ 153,188 | \$ 153,188 |
| SENIOR SURPLUS FUND | 93,206 | 128,236 | 201,067 |
| TOTAL RESERVE | <u>\$ 246,394</u> | <u>\$ 281,424</u> | <u>\$ 354,255</u> |

**WESTVIEW METROPOLITAN DISTRICT
2024 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 court order and decree of the District Court for the County of Weld on March 24, 2015, and is governed pursuant to the provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under a Service Plan approved by the Town of Frederick on December 9, 2014. The District's service area is located in the Town of Frederick, Colorado.

The District was established to provide financing for the design, acquisition, installation, construction and completion of public improvements and services, including water, sanitation, street, fire protection, park and recreation, transportation, traffic and safety controls, and television relay and translation improvements and services.

In 2016, the District's voters authorized debt for the above listed facilities, debt refunding, and debt related to intergovernmental agreements or other contracts with other public entities. The election also approved an annual increase in property taxes without limitation of rate, to pay the District's operation and maintenance costs.

Pursuant to the Service Plan, the District is permitted to issue bond indebtedness of up to \$3,500,000. In the future, the District may issue a portion or all of the remaining authorized but unissued general obligation debt for purposes of providing public improvements to support development as it occurs within the District's service area, however, as of the date of this budget, the amount and timing of any debt issuances is not determinable.

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.

**WESTVIEW METROPOLITAN DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues - (continued)

Under the consolidated Service Plan, the District is limited to the imposition of a mill levy in an amount not to exceed 50 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 purposes of the foregoing, a change in the ratio of actual valuation to assessed valuation shall be deemed to be a change in the method of calculating assessed evaluation. On December 9, 2014, the date of the consolidated Service Plan, the ratio of actual valuation to assessed valuation was 7.96% and currently the ratio is at 6.7%. Due to this ratio change, the District's mill levy was increased to 66.236 mills.

For property tax collection year 2024, SB22-238 and SB23B-001 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 by the General Fund.

Net Investment Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 5%.

Expenditures

County Treasurer's Fees

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

**WESTVIEW METROPOLITAN DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures – (continued)

Administrative Expenditures

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

Debt Service

Principal and interest payments in 2024 are provided based on the debt amortization schedule from the Series 2019A Senior Bonds (discussed under Debts and Leases). There is no debt amortization schedule provided for the Series 2019B Subordinate Bonds as the Bond is a cash flow bond and the timing of the payments are unknown.

Intergovernmental Agreements

Without increasing the Limited Mill Levy, at any time the District imposes a mill levy for debt service purposes, the District shall impose a Contribution Mill Levy of three (3) mills, as adjusted, for purposes of financing capital improvements or for financing operations and maintenance expenses associated with Town capital improvements, which revenues shall be remitted to the Town upon the District's receipt. The revenues received by the Town from the Contribution Mill Levy may be applied to any Town capital improvement so long as the capital improvement is one that the District could otherwise finance (e.g. streets, traffic safety controls, street lighting, water, sanitary sewer, storm drainage, landscaping improvements, and parks and recreation). In the event that the District does not impose a Debt Mill Levy, the District shall have no obligation to levy, collect, or pay over to the Town the three (3) mills set forth herein.

Debt and Leases

On June 5, 2019, the District issued \$1,965,000 in Series 2019A Senior and \$313,000 in Series 2019B Subordinate Bonds in the total amount of \$2,278,000. The Bonds are special limited obligations of the District secured by and payable from the pledged revenues, subject in all respects to the prior lien in favor of the Senior Bonds. The Series 2019A Senior Bonds, in the amount of \$1,965,000, are term bonds due on June 1 and December 1, at an interest rate of 5.125%, commencing on December 1, 2019 and due December 1, 2049. The Series 2019B Subordinate Bonds, in the amount of \$313,000, are term bonds due December 15, 2049 at an interest rate of 7.750%, payable (but only to the extent of Subordinate Pledged Revenue available for such purpose) on December 15, 2019, and annually thereafter on December 15 of each year, unless the Bonds are redeemed earlier in accordance with the terms of their respective Indenture.

**WESTVIEW METROPOLITAN DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases – (continued)

The 2019A Senior Bonds are limited tax general obligations of the District secured by and payable from the following sources, net of any costs of collection: (i) the Senior Required Mill Levy, (ii) the portion of the Specific Ownership tax which is collected as a result of imposition of the Senior Required Mill Levy, and (iii) any other legally available moneys which the District determines, in its absolute discretion, to transfer to the Trustee for application as Senior Pledged Revenue.

The 2019A Senior Bonds are being issued in “Authorized Denominations,” to mean the amount of \$500,000 or any integral multiple of \$1,000 in excess thereof, provided that no individual 2019A Senior Bond may be in an amount which exceeds the principal amount coming due on any maturity date.

The 2019B Subordinate Bonds are limited tax general obligations of the District secured by and payable from the Subordinate Pledged Revenue, consisting of moneys derived by the District from the following sources, net of any costs of collection: (i) the Subordinate Required Mill Levy, (ii) the portion of the Specific Ownership Tax which is collected as a result of imposition of the Subordinate Required Mill Levy, (iii) the amounts, if any, in the Senior Surplus Fund after the payment or defeasance of the 2019A Senior Bonds and (iii) any other legally available moneys which the District determines, in its absolute discretion, to transfer to the Trustee for application as Subordinate Pledged Revenue.

The 2019B Subordinate Bonds are structured as “cash flow” bonds, meaning that there are no schedule payments of principal thereof prior to the final maturity date. Rather, principal on the 2019B Subordinate Bonds is payable from, and solely to the extent of, Subordinate Pledged Revenues, if any, remaining after the annual payment of interest due on the 2019B Subordinate Bonds (including current interest, accrued but unpaid interest, and interest due as a result of compounding, if any) pursuant to a mandatory redemption of as many 2019B Subordinate Bonds as can be redeemed with such remaining Subordinate Pledged Revenue.

Pledged Revenue

Senior Pledged revenue is defined as the following, net of any costs of collection: (i) the Senior Required Mill Levy, (ii) the portion of the Specific Ownership Tax which is collected as a result of imposition of the Senior Required Mill Levy, and (iii) any other legally available moneys which the District determines, in its absolute discretion, to transfer to the Trustee for application as Senior Pledged Revenue.

Subordinate Pledged revenue is defined as the following, net of any costs of collection: (i) the Subordinate Required Mill Levy, (ii) the portion of the Specific Ownership Tax which is collected as a result of imposition of the Subordinate Required Mill Levy, (iii) the amounts, if any, in the Senior Surplus Fund after the payment or defeasance of the 2019A Senior Bonds, and (iv) any other legally available moneys which the District determines, in its absolute discretion, to transfer to the Trustee for application as Subordinate Pledged Revenue.

**WESTVIEW METROPOLITAN DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases – (continued)

Prior Redemption

The Series 2019A Senior Bonds and Series 2019B Subordinate Bonds are subject to redemption prior to maturity, at the option of the District, as a whole or in integral multiples of \$1,000, in any order of maturity and in whole or partial maturities (and if in partial maturities, in such order of maturities as the District shall determine), on June 1, 2024, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium of a percentage of the principal amount so redeemed, as follows:

| <u>Date of Redemption</u> | <u>Redemption Premium</u> |
|-----------------------------------|---------------------------|
| June 1, 2024 through May 31, 2025 | 3.00 % |
| June 1, 2025 through May 31, 2026 | 2.00 |
| June 1, 2026 through May 31, 2027 | 1.00 |
| June 1, 2027 and thereafter | 0.00 |

The 2019B Subordinate Bonds are being issued in “Authorized Denominations,” to mean the amount of \$100,000 or any integral multiple of \$1,000 in excess thereof, provided that no individual 2019B Subordinate Bond may be in an amount which exceeds the principal amount coming due on any maturity date.

The district has no operating or capital leases.

**WESTVIEW METROPOLITAN DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases – (continued)

| | Balance at December 31, 2022 | Additions | Reductions | Balance at December 31, 2023 |
|--|------------------------------------|-------------------|------------------|------------------------------------|
| Bonds: | | | | |
| Series 2019A | \$ 1,960,000 | \$ - | \$ 20,000 | \$ 1,940,000 |
| Series 2019B | 313,000 | - | - | 313,000 |
| Accrued Interest on Bonds: | | | | |
| Series 2019B | 94,960 | 31,597 | - | 126,557 |
| Developer Advances: | | | | |
| Organizational | 179,532 | - | - | 179,532 |
| Capital | 3,904,925 | - | - | 3,904,925 |
| Accrued Interest on Developer Advances: | | | | |
| Organizational | 48,721 | 14,363 | - | 63,084 |
| Capital | 1,104,077 | 312,394 | - | 1,416,471 |
| Total | \$ 7,605,215 | \$ 358,354 | \$ 20,000 | \$ 7,943,569 |
| <hr/> | | | | |
| | Balance at December 31, 2023 | Additions | Reductions | Balance at December 31, 2024 |
| Bonds: | | | | |
| Series 2019A | \$ 1,940,000 | \$ - | \$ 20,000 | \$ 1,920,000 |
| Series 2019B | 313,000 | - | - | 313,000 |
| Accrued Interest on Bonds: | | | | |
| Series 2019B | 126,557 | 32,562 | - | 159,119 |
| Developer Advances: | | | | |
| Organizational | 179,532 | - | - | 179,532 |
| Capital | 3,904,925 | - | - | 3,904,925 |
| Accrued Interest on Developer Advances: | | | | |
| Organizational | 63,084 | 14,361 | - | 77,445 |
| Capital | 1,416,471 | 312,394 | - | 1,728,865 |
| Total | \$ 7,943,569 | \$ 359,317 | \$ 20,000 | \$ 8,282,886 |

Reserves

Debt Service Reserve

The Debt Service Reserve Fund requirement for the Series 2019A Senior Bonds is \$153,188.

The Debt Service Surplus Fund requirement for the Series 2019A Senior Bonds is \$196,500.

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.

**WESTVIEW METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
MANDATORY REDEMPTION SCHEDULE**

**\$1,965,000 General Obligation Limited Tax Bonds
Series 2019, Dated June 5, 2019
Principal Due December 1
Interest at 5.125%
Payable June 1 and December 1**

| <u>Year</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|--------------|---------------------|---------------------|---------------------|
| 2024 | \$ 20,000 | \$ 99,425 | \$ 119,425 |
| 2025 | 25,000 | 98,400 | 123,400 |
| 2026 | 25,000 | 97,119 | 122,119 |
| 2027 | 30,000 | 95,838 | 125,838 |
| 2028 | 30,000 | 94,300 | 124,300 |
| 2029 | 35,000 | 92,763 | 127,763 |
| 2030 | 40,000 | 90,969 | 130,969 |
| 2031 | 40,000 | 88,919 | 128,919 |
| 2032 | 45,000 | 86,869 | 131,869 |
| 2033 | 45,000 | 84,563 | 129,563 |
| 2034 | 50,000 | 82,256 | 132,256 |
| 2035 | 55,000 | 79,694 | 134,694 |
| 2036 | 60,000 | 76,875 | 136,875 |
| 2037 | 65,000 | 73,800 | 138,800 |
| 2038 | 70,000 | 70,469 | 140,469 |
| 2039 | 75,000 | 66,881 | 141,881 |
| 2040 | 80,000 | 63,038 | 143,038 |
| 2041 | 85,000 | 58,938 | 143,938 |
| 2042 | 90,000 | 54,581 | 144,581 |
| 2043 | 95,000 | 49,969 | 144,969 |
| 2044 | 105,000 | 45,100 | 150,100 |
| 2045 | 110,000 | 39,719 | 149,719 |
| 2046 | 115,000 | 34,081 | 149,081 |
| 2047 | 125,000 | 28,188 | 153,188 |
| 2048 | 130,000 | 21,781 | 151,781 |
| 2049 | 295,000 | 15,119 | 310,119 |
| Total | \$ 1,940,000 | \$ 1,789,654 | \$ 3,850,104 |

No assurance provided. See summary of significant assumptions.