

BRADBURN METROPOLITAN DISTRICT NO. 2
ANNUAL BUDGET
FOR YEAR ENDING DECEMBER 31, 2024

**BRADBURN METROPOLITAN DISTRICT 2
SUMMARY
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

01/16/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 1,084,801	\$ 1,157,610	\$ 1,139,987
REVENUES			
Property taxes	1,014,685	991,177	1,167,843
Specific ownership taxes	74,327	67,000	74,750
Interest income	19,575	59,200	44,500
Total revenues	<u>1,108,587</u>	<u>1,117,377</u>	<u>1,287,093</u>
Total funds available	<u>2,193,388</u>	<u>2,274,987</u>	<u>2,427,080</u>
EXPENDITURES			
General Fund	55,887	75,000	90,000
Debt Service Fund	979,891	1,060,000	1,185,000
Total expenditures	<u>1,035,778</u>	<u>1,135,000</u>	<u>1,275,000</u>
Total expenditures and transfers out requiring appropriation	<u>1,035,778</u>	<u>1,135,000</u>	<u>1,275,000</u>
ENDING FUND BALANCES	<u>\$ 1,157,610</u>	<u>\$ 1,139,987</u>	<u>\$ 1,152,080</u>
EMERGENCY RESERVE	\$ 2,900	\$ 3,000	\$ 3,200
SURPLUS FUND	648,250.0	648,250.0	648,250.0
SENIOR RESERVE FUND	324,125	324,125	324,125
TOTAL RESERVE	<u>\$ 1,947,650</u>	<u>\$ 1,947,750</u>	<u>\$ 1,947,950</u>

**BRADBURN METROPOLITAN DISTRICT 2
PROPERTY TAX SUMMARY INFORMATION
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

01/16/24

ACTUAL	ESTIMATED	BUDGET
2022	2023	2024

ASSESSED VALUATION - ADAMS COUNTY

Residential	\$ 7,399,130	\$ 7,037,080	\$ 8,071,290
Commercial	6,957,800	6,848,710	7,680,550
State assessed	1,340	2,960	2,870
Vacant land	391,860	391,860	455,130
Personal property	1,270,610	1,047,370	1,124,920
	16,020,740	15,327,980	17,334,760
Adjustments	-	-	-
Certified Assessed Value	\$ 16,020,740	\$ 15,327,980	\$ 17,334,760

MILL LEVY

General	5.752	5.992	5.768
Debt Service	57.523	59.924	61.602
Total mill levy	63.275	65.916	67.370

PROPERTY TAXES

General	\$ 92,151	\$ 91,845	\$ 99,987
Debt Service	921,561	918,514	1,067,856
Levied property taxes	1,013,712	1,010,359	1,167,843
Adjustments to actual/rounding	973	(19,182)	-
Refunds and abatements	-	-	-
Budgeted property taxes	\$ 1,014,685	\$ 991,177	\$ 1,167,843

BUDGETED PROPERTY TAXES

General	\$ 92,239	\$ 90,102	\$ 99,987
Debt Service	922,446	901,075	1,067,856
	\$ 1,014,685	\$ 991,177	\$ 1,167,843

**BRADBURN METROPOLITAN DISTRICT 2
GENERAL FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

01/16/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 79,255	\$ 118,447	\$ 142,749
REVENUES			
Property taxes	92,239	90,102	99,987
Interest income	2,840	9,200	5,500
Total revenues	<u>95,079</u>	<u>99,302</u>	<u>105,487</u>
TRANSFERS IN			
Total funds available	<u>174,334</u>	<u>217,749</u>	<u>248,236</u>
EXPENDITURES			
General and administrative			
Accounting	28,593	33,000	36,300
Auditing	5,600	6,200	6,600
County Treasurer's fee	1,382	1,378	1,500
Dues and membership	319	323	400
Insurance	2,854	2,886	2,986
Legal	11,967	20,000	26,400
Miscellaneous	-	300	300
Election	3,120	9,500	10,000
Website	2,052	500	500
Contingency	-	913	5,014
Total expenditures	<u>55,887</u>	<u>75,000</u>	<u>90,000</u>
TRANSFERS OUT			
Total expenditures and transfers out requiring appropriation	<u>55,887</u>	<u>75,000</u>	<u>90,000</u>
ENDING FUND BALANCES	<u>\$ 118,447</u>	<u>\$ 142,749</u>	<u>\$ 158,236</u>
EMERGENCY RESERVE	\$ 2,900	\$ 3,000	\$ 3,200
TOTAL RESERVE	<u>\$ 2,900</u>	<u>\$ 3,000</u>	<u>\$ 3,200</u>

**BRADBURN METROPOLITAN DISTRICT 2
DEBT SERVICE FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

01/16/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 1,005,546	\$ 1,039,163	\$ 997,238
REVENUES			
Property taxes	922,446	901,075	1,067,856
Specific ownership taxes	74,327	67,000	74,750
Interest income	16,735	50,000	39,000
Total revenues	<u>1,013,508</u>	<u>1,018,075</u>	<u>1,181,606</u>
TRANSFERS IN			
Total funds available	<u>2,019,054</u>	<u>2,057,238</u>	<u>2,178,844</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	13,818	13,778	16,018
Paying agent fees	8,000	8,000	8,000
Contingency	-	9,022	4,582
Debt Service			
Bond Interest - Series 2018A	456,800	449,200	441,400
Bond Interest - Series 2018B	311,273	385,000	510,000
Bond Principal - Series 2018A	190,000	195,000	205,000
Total expenditures	<u>979,891</u>	<u>1,060,000</u>	<u>1,185,000</u>
TRANSFERS OUT			
Total expenditures and transfers out requiring appropriation	<u>979,891</u>	<u>1,060,000</u>	<u>1,185,000</u>
ENDING FUND BALANCES	<u>\$ 1,039,163</u>	<u>\$ 997,238</u>	<u>\$ 993,844</u>
SURPLUS FUND	\$ 648,250	\$ 648,250	\$ 648,250
SENIOR RESERVE FUND	324,125	324,125	324,125
DEBT SERVICE FUND BALANCE	66,788	24,863	21,469
TOTAL RESERVE	<u>\$ 1,039,163</u>	<u>\$ 997,238</u>	<u>\$ 993,844</u>

No assurance provided. See summary of significant assumptions.

BRADBURN METROPOLITAN DISTRICT NO. 2
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

The District was organized to provide construction, installation, financing and operation of public improvements, including water, wastewater, streets, park and recreation facilities, and other improvements needed for the District. The District was organized in conjunction with two other related districts, Bradburn Metropolitan District No. 1 and Bradburn Metropolitan District No. 3. Under the Consolidated Service Plan, as amended by a Second Modification dated August 22, 2016, District No. 1 is the Operating District, District No. 2 is the Financing District, and District No. 3 operates as an independent district. The District's service area is located entirely within the City of Westminster, Adams County, Colorado.

The District was formed by Court Order on November 28, 2000, with its formation election held on November 7, 2000. The election approved general obligation indebtedness of \$8,000,000 for street improvements, \$1,000,000 for traffic safety, \$5,500,000 for parks and recreation, \$2,500,000 for water supply system, \$2,500,000 for sanitary sewer system, \$1,000,000 for television relay system, \$1,000,000 for public transportation, \$500,000 for mosquito control, \$26,000,000 for debt associated with intergovernmental contracts, \$23,500,000 for refinancing of District debt, and \$2,500,000 for general operations and maintenance. The election also approved an annual increase in taxes of \$100,000 for general operations and maintenance, and \$2,500,000 in revenues other than ad valorem taxes.

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.

In 2019 Bradburn Metropolitan District No. 1 ("The District") started the dissolution process. Pursuant to the District's Service Plan approved by the City on September 11, 2000, as subsequently amended, subsequent to the financing and construction of the public improvements set forth in the Service Plan and upon the full payment or discharge of all its outstanding indebtedness and other financial obligations and upon completion of construction of all services and facilities, the District is to undertake effort for dissolution. A majority of all of the members of the Board of Directors deem it to be in the best interest of the District that it be dissolving. The District provides no services within its boundaries and all services authorized to be provided by the District are provided by Bradburn Metropolitan District No. 2 and Bradburn Metropolitan District No. 3, and as a result, no plan for the continuation of the District's services is necessary. The District does not have any outstanding bonds or other financial obligations, and possesses no assets requiring disposition prior to dissolution. Upon dissolution, the District's Board of Directors will immediately and permanently dissolve and none of members thereof will continue in the office.

In 2019 Bradburn Metropolitan District No. 2 started to operate as an independent district.

**BRADBURN METROPOLITAN DISTRICT NO. 2
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

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 District’s maximum Required Mill Levy is 50.000 mills, adjusted for changes in the ratio of actual value to assessed value of property within the District. Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in an amount sufficient to pay the principal, premium if any, and interest on the Bonds as the same become due and payable. As of December 31, 2024, the adjusted maximum mill levy for debt service is 67.370 mills.

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.

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 7% of the property taxes collected by the District. The specific ownership taxes are pledged for the repayment of bonds; therefore, they are reported in the Debt Service Fund.

Investment Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 4.00%.

BRADBURN METROPOLITAN DISTRICT NO. 2
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Expenditures

General and administration Expenditures

General and administration expenditures have been provided based on estimates of the District's Board of Directors and consultants and include the services necessary to maintain the District's administrative viability such as legal, accounting, managerial, insurance, meeting, and other administrative expenses.

Debt Service

Principal and interest payments due this year are provided based on the debt amortization schedule from the Series 2018A Bonds (discussed under Debt and Leases).

Debt and Leases

Series 2018 General Obligation Bonds

On March 14, 2018, the District issued the 2018 Bonds in the par amounts of \$10,120,000 for the 2018A Senior Bonds, \$2,988,000 for the 2018B Subordinate Bonds, and \$3,271,000 for the 2018C Junior Lien Bonds. Proceeds of the 2018A Senior Bonds were applied to (i) pay the costs of refunding the District's General Obligation Bonds (Limited Tax Convertible to Unlimited Tax), Series 2004 and Supplemental General Obligation Limited Tax Bonds, Series 2004; (ii) finance or reimburse the costs of public improvements related to the development; (iii) fund the Senior Reserve Fund; and (iv) pay the costs of issuing the 2018 Bonds. Proceeds from the sale of the 2018B Subordinate Bonds were applied to (i) finance or reimburse public improvements related to the development; and (ii) pay other costs in connection with the issuance of the 2018B Subordinate Bonds. Proceeds from the 2018C Junior Lien Bonds were applied to pay and cancel obligations of the District to the Developer under Reimbursement Agreements.

The Senior Bonds are issued as term bonds that bear interest at 4.00% and 5.00%, and are payable semi-annually on June 1 and December 1, beginning on June 1, 2018. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2018. The Senior Bonds mature on December 1, 2047.

The Subordinate Bonds are issued at the rate of 7.25% per annum and are payable annually on December 15, beginning on December 15, 2018, from, and to the extent of, Subordinate Pledged Revenue available, if any, and mature on December 15, 2047. The Subordinate Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest prior to the final maturity date. Unpaid interest on the Subordinate Bonds compounds annually on each December 15. In the event any amount of principal or interest on the Subordinate Bonds remains unpaid after the application of all Subordinate Pledged Revenue on December 15, 2057, such amounts shall be deemed discharged and no longer be due and outstanding.

**BRADBURN METROPOLITAN DISTRICT NO. 2
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Series 2018 General Obligation Bonds (continued)

The 2018C Junior Lien Bonds bear interest at the rate of 7.50% per annum and is payable annually on December 15, beginning on December 15, 2018, from, and to the extent of, Junior Lien Pledged Revenue available, if any, and mature on December 15, 2051. The 2018C Junior Lien Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest prior to the final maturity date. In the event any amount of principal or interest on the 2018C Junior Lien Bonds remains unpaid after the application of all Junior Lien Pledged Revenue on December 15, 2057, such amounts shall be deemed discharged and no longer due and outstanding. In no event shall any principal, interest or Mandatory Redemption Price be paid on the 2018C Junior Lien Bonds until such time as there has been paid in full or defeased the 2018B Subordinate Bonds, and, to the extent required by the applicable Senior/Subordinate Obligation Indentures, any other Senior/Subordinated Obligations issued by the District.

At the end of the year 2018 the District accepted all of the remaining long-term liabilities from Bradburn Metropolitan District No. 1 in preparation for the Bradburn Metropolitan District No. 1 dissolution.

	Balance - December 31, 2022	Net Issues/ Additions	Retirements/ Refundings	Balance - December 31, 2023	Current Portion
2018A - \$10,120,000					
G.O. Bonds	\$ 9,245,000	\$ -	\$ 180,000	\$ 9,435,000	\$ 195,000
Subordinate Bonds	2,988,000	-	-	2,988,000	-
Accrued interest -					
2018B Subordinate Bonds	516,457	253,257	385,000	384,714	-
2018C - \$3,271,000					
Junior Lien Bonds	3,271,000	-	-	3,271,000	-
Accrued interest -					
2018C Junior Lien Bonds	1,359,330	347,275	-	1,706,605	-
Developer Advance - Operation	15,600	8,489	-	24,089	-
Accrued interest - Operation	225,695	-	-	225,695	-
Accrued interest - Capital	844,177	-	-	844,177	-
Total	<u>\$ 18,465,259</u>	<u>\$ 609,021</u>	<u>\$ 565,000</u>	<u>\$ 18,879,280</u>	<u>\$ 195,000</u>

**BRADBURN METROPOLITAN DISTRICT NO. 2
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases (continued)

	Balance - December 31, 2023	Net Issues/ Additions	Retirements/ Refundings	Balance - December 31, 2024	Current Portion
2018A - \$10,120,000					
G.O. Bonds	\$ 9,435,000	\$ -	\$ 190,000	\$ 9,245,000	\$ 205,000
Subordinate Bonds	2,988,000	-	-	2,988,000	-
Accrued interest -					
2018B Subordinate Bonds	384,714	243,706	510,000	118,420	-
2018C - \$3,271,000					
Junior Lien Bonds	3,271,000	-	-	3,271,000	-
Accrued interest -					
2018C Junior Lien Bonds	1,706,605	373,320	-	2,079,925	-
Developer Advance - Operation	24,089	8,489	-	32,578	-
Accrued interest - Operation	225,695	-	-	225,695	-
Accrued interest - Capital	844,177	-	-	844,177	-
Total	<u>\$ 18,879,280</u>	<u>\$ 625,515</u>	<u>\$ 700,000</u>	<u>\$ 18,804,795</u>	<u>\$ 205,000</u>

This district has no operating or capital leases.

Reserve Funds

Emergency Reserve

The District has provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending for 2024, as defined under TABOR.

Debt Service Reserve

The District maintains a Debt Service Reserve as required with the issuance of the Series 2018A Bonds.

This information is an integral part of the accompanying budget.

**BRADBURN METROPOLITAN DISTRICT NO. 2
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

**\$10,120,000
General Obligation
Refunding and Improvement Bonds
Limited Tax (Convertible to Unlimited Tax)
Series 2018A
Dated March 14, 2018
Interest Rate 4.000% - 5.000%
Due June 1 and December 1
Principal Due December 1**

Year Ended December 31,	Principal Due December 1		Total General Obligation Debt
	Principal	Interest	
2024	\$ 205,000	\$ 441,400	\$ 646,400
2025	215,000	433,200	648,200
2026	220,000	424,600	644,600
2027	230,000	415,800	645,800
2028	240,000	406,600	646,600
2029	250,000	397,000	647,000
2030	260,000	384,500	644,500
2031	275,000	371,500	646,500
2032	290,000	357,750	647,750
2033	305,000	343,250	648,250
2034	320,000	328,000	648,000
2035	335,000	312,000	647,000
2036	350,000	295,250	645,250
2037	370,000	277,750	647,750
2038	385,000	259,250	644,250
2039	405,000	240,000	645,000
2040	425,000	219,750	644,750
2041	445,000	198,500	643,500
2042	470,000	176,250	646,250
2043	495,000	152,750	647,750
2044	520,000	128,000	648,000
2045	545,000	102,000	647,000
2046	570,000	74,750	644,750
2047	925,000	46,250	971,250
	\$ 9,050,000	\$ 6,786,100	\$ 15,836,100

The Subordinate Bonds Series 2018B and 2018C are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest prior to the final maturity date.

No assurance provided. See summary of significant assumptions.