

MONUMENT JUNCTION METROPOLITAN DISTRICT NO. 2
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2023

**MONUMENT JUNCTION METROPOLITAN DISTRICT NO. 2
SUMMARY
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

10/7/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 6/30/2022	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUES					
Property taxes	-	-	-	-	1,853
Specific ownership tax	-	-	-	-	185
Developer advance	-	50,000	-	-	-
Capital and operations fee	-	-	-	-	32,000
Other revenue	-	-	-	-	4,000
Total revenues	-	50,000	-	-	38,038
Total funds available	-	50,000	-	-	38,038
EXPENDITURES					
General Fund	-	50,000	-	-	34,408
Debt Service Fund	-	-	-	-	3,630
Total expenditures	-	50,000	-	-	38,038
Total expenditures and transfers out requiring appropriation	-	50,000	-	-	38,038
ENDING FUND BALANCES	\$ -	\$ -	\$ -	\$ -	\$ -

MONUMENT JUNCTION METROPOLITAN DISTRICT NO. 2
PROPERTY TAX SUMMARY INFORMATION
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

10/7/2022

	ACTUAL 2021	BUDGET 2022	ACTUAL 6/30/2022	ESTIMATED 2022	BUDGET 2023
ASSESSED VALUATION					
Residential	\$ -	\$ -	\$ -	\$ -	\$ -
Agricultural	-	-	-	-	590
Vacant land	-	-	-	-	36,410
					<u>37,000</u>
Adjustments	-	-	-	-	-
Certified Assessed Value	-	-	-	-	<u>37,000</u>
MILL LEVY					
General	-	10.000	10.000	10.000	10.015
Debt Service	-	40.000	40.000	40.000	40.062
Total mill levy	<u>-</u>	<u>50.000</u>	<u>50.000</u>	<u>50.000</u>	<u>50.077</u>
PROPERTY TAXES					
General	-	-	-	-	371
Debt Service	-	-	-	-	1,482
					<u>1,853</u>
Levied property taxes	-	-	-	-	1,853
Adjustments to actual/rounding	-	-	-	-	-
Refunds and abatements	-	-	-	-	-
Budgeted property taxes	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,853</u>
BUDGETED PROPERTY TAXES					
General	-	-	-	-	371
Debt Service	-	-	-	-	1,482
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,853</u>

MONUMENT JUNCTION METROPOLITAN DISTRICT NO. 2
GENERAL FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

10/7/2022

	ACTUAL 2021	BUDGET 2022	ACTUAL 6/30/2022	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUES					
Property taxes	-	-	-	-	371
Specific ownership tax	-	-	-	-	37
Developer advance	-	50,000	-	-	-
Other revenue	-	-	-	-	2,000
Capital and operations fee	-	-	-	-	32,000
Total revenues	-	50,000	-	-	34,408
TRANSFERS IN					
Transfers from other funds	-	-	-	-	-
Total funds available	-	50,000	-	-	34,408
EXPENDITURES					
General and administrative					
Accounting	-	10,000	-	-	-
County Treasurer's fee	-	-	-	-	6
Insurance and bonds	-	2,500	-	-	-
District management	-	1,500	-	-	-
Legal services	-	20,000	-	-	-
Miscellaneous	-	1,000	-	-	-
Contingency	-	15,000	-	-	2,000
Intergovernmental expenditures	-	-	-	-	32,402
Total expenditures	-	50,000	-	-	34,408
Total expenditures and transfers out requiring appropriation	-	50,000	-	-	34,408
ENDING FUND BALANCES	\$ -	\$ -	\$ -	\$ -	\$ -

MONUMENT JUNCTION METROPOLITAN DISTRICT NO. 2
DEBT SERVICE FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

10/7/2022

	ACTUAL 2021	BUDGET 2022	ACTUAL 6/30/2022	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUES					
Property taxes	-	-	-	-	1,482
Specific ownership tax	-	-	-	-	148
Other revenue	-	-	-	-	2,000
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,630</u>
Total funds available	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,630</u>
EXPENDITURES					
General and administrative					
County Treasurer's fee	-	-	-	-	22
Intergovernmental expenditures	-	-	-	-	1,608
Contingency	-	-	-	-	2,000
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,630</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,630</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**MONUMENT JUNCTION METROPOLITAN DISTRICT NO. 2
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The Monument Junction Metropolitan District No. 2 (“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 El Paso County, Colorado on August 2, 2021, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under a Service Plan approved by the City on August 2, 2021.

The District was organized to provide for the finance, design, construct, acquire, install of Public Improvements and related operation and maintenance services. The District is the Financing District organized in conjunction with Monument Junction Metropolitan District No. 1 (District No.1). District No. 1 serves as the Operating District which will pay all vendors and issue and service the debt. The Financing District will levy ad valorem taxes on taxable properties within the District and assess fees, rates and other changes as authorized by law and remit these revenues to the Operating District. The District's service area is located entirely within the Town of Monument, El Paso County, Colorado.

Pursuant to the Service Plan approved by the Town, the District is permitted to issue bond indebtedness of up to \$37,000,000. 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.

Pursuant to the District's Service Plan approved by the Town, the maximum debt mill levy is 50 mills, and the maximum operating mill levy for the payment of administrative, operations and maintenance expense is 10 mills.

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 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.

**MONUMENT JUNCTION METROPOLITAN DISTRICT NO. 2
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (continued)

Property Taxes (continued)

The calculation of property taxes is reflected on the Property Tax Summary page of the budget using the adopted mill levy imposed by 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%.

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 10% of the property taxes collected.

Capital and Operations Fee

Capital and operations fee of \$500 is assessed and collected at closing of property. 64 closings anticipated in 2023.

Expenditures

Intergovernmental Expenditure – Monument Junction Metropolitan District No. 1

Property taxes generated from the 10.015 mills levied by the District for operations and maintenance, net of fees, are expected to be transferred to Monument Junction Metropolitan District No. 1, the Operating District, which pays all administrative expenditures of the District.

Property taxes generated from the 40.062 mills levied by the District for debt service, net of fees, are pledged to Monument Junction Metropolitan District No. 1, the Operating District, and are expected to be transferred as stated upon District No. 1 bond issuance.

County Treasurer's Fees

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

**MONUMENT JUNCTION METROPOLITAN DISTRICT NO. 2
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases

Pledged Revenue Series 2021A bonds

The Series 2021A bonds issued by Monument Junction Metropolitan District No. 1 are secured by and payable from moneys derived by the District from the following sources: (a) the Required Mill Levy; (b) the Pledged Public Improvement Fees; (c) the Pledged Fees; (d) the portion of the Specific Ownership Tax which is collected as a result of the imposition of the Required Mill Levy; and (e) any other legally available moneys which the District determines, in its absolute discretion, to transfer to the Trustee for application as Pledged Revenue.

Reserves

Emergency Reserve

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year spending. Since substantially all funds received by the District are transferred to District No. 1, which pays for all the District's operations and maintenance costs, the Emergency Reserve for these funds is reflected in the budget of District No. 1

This information is an integral part of the accompanying budget.