

**MONUMENT JUNCTION METROPOLITAN DISTRICT NO. 1**  
**ANNUAL BUDGET**  
**FOR THE YEAR ENDING DECEMBER 31, 2026**

**MONUMENT JUNCTION METROPOLITAN DISTRICT NO. 1  
SUMMARY  
2026 BUDGET  
WITH 2024 ACTUAL AND 2025 ESTIMATED  
For the Years Ended and Ending December 31,**

1/18/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 1,730,251	\$ 367,861	\$ (249,447)
<b>REVENUES</b>			
Property taxes	19,016	44,077	136,392
Specific ownership taxes	1,786	4,408	12,957
Interest Income	68,000	12,258	6,500
Developer advance	-	4,320,000	1,321,588
Review Fee	6,600	4,200	5,000
Working Capital Fees	18,900	16,800	20,000
Status Letter Fees	2,950	-	-
Covenant enforcement fees	11,080	43,154	40,000
Other Revenue	731	-	11,162
Intergovernmental revenues	144,995	275,609	482,860
PIF Revenue	21,092	28,000	30,000
Total revenues	<u>295,150</u>	<u>4,748,506</u>	<u>2,066,459</u>
<b>TRANSFERS IN</b>			
	<u>448</u>	<u>-</u>	<u>-</u>
Total funds available	<u>2,025,849</u>	<u>5,116,367</u>	<u>1,817,012</u>
<b>EXPENDITURES</b>			
General Fund	92,592	205,539	230,000
Debt Service Fund	104,490	300,275	500,000
Capital Projects Fund	1,460,458	4,860,000	1,005,000
Total expenditures	<u>1,657,540</u>	<u>5,365,814</u>	<u>1,735,000</u>
<b>TRANSFERS OUT</b>			
	<u>448</u>	<u>-</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>1,657,988</u>	<u>5,365,814</u>	<u>1,735,000</u>
ENDING FUND BALANCES	<u>\$ 367,861</u>	<u>\$ (249,447)</u>	<u>\$ 82,012</u>
EMERGENCY RESERVE	\$ 3,600	\$ 3,900	\$ 7,400
AVAILABLE FOR OPERATIONS	41,190	13,241	74,612
TOTAL RESERVE	<u>\$ 44,790</u>	<u>\$ 17,141</u>	<u>\$ 82,012</u>

See summary of significant assumptions.

**MONUMENT JUNCTION METROPOLITAN DISTRICT NO. 1**  
**PROPERTY TAX SUMMARY INFORMATION**  
**2026 BUDGET**  
**WITH 2024 ACTUAL AND 2025 ESTIMATED**  
**For the Years Ended and Ending December 31,**

1/18/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
<b>ASSESSED VALUATION</b>			
Commercial	\$ -	\$ -	\$ 939,650
State assessed	3,840	9,300	9,300
Vacant land	301,070	697,460	1,167,520
	304,910	706,760	2,116,470
Certified Assessed Value	\$ 304,910	\$ 706,760	\$ 2,116,470
 <b>MILL LEVY</b>			
General	10.394	10.424	10.740
Debt Service	51.971	51.971	53.703
Total mill levy	62.365	62.395	64.443
 <b>PROPERTY TAXES</b>			
General	\$ 3,169	\$ 7,367	\$ 22,731
Debt Service	15,846	36,731	113,661
Levied property taxes	19,015	44,098	136,392
Adjustments to actual/rounding	1	(21)	-
Budgeted property taxes	\$ 19,016	\$ 44,077	\$ 136,392
 <b>BUDGETED PROPERTY TAXES</b>			
General	\$ 3,169	\$ 7,364	\$ 22,731
Debt Service	15,847	36,713	113,661
	\$ 19,016	\$ 44,077	\$ 136,392

See summary of significant assumptions.

**MONUMENT JUNCTION METROPOLITAN DISTRICT NO. 1**  
**GENERAL FUND**  
**2026 BUDGET**  
**WITH 2024 ACTUAL AND 2025 ESTIMATED**  
**For the Years Ended and Ending December 31,**

1/18/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 18,413	\$ 44,790	\$ 17,141
<b>REVENUES</b>			
Property taxes	3,169	7,346	22,731
Specific ownership taxes	298	735	2,159
Interest Income	290	4,000	4,500
Developer advance	-	50,000	50,000
Review Fee	6,600	4,200	5,000
Working Capital Fees	18,900	16,800	20,000
Status Letter Fees	2,950	-	-
Covenant enforcement fees	11,080	43,154	40,000
Other Revenue	731	-	7,459
Intergovernmental revenues	75,399	51,655	143,022
Total revenues	<u>119,417</u>	<u>177,890</u>	<u>294,871</u>
Total funds available	<u>137,830</u>	<u>222,680</u>	<u>312,012</u>
<b>EXPENDITURES</b>			
General and administrative			
Accounting	43,000	50,000	55,000
Auditing	5,400	5,670	6,000
County Treasurer's Fee	48	220	341
Billing	1,652	10,064	15,000
Dues and Membership	611	702	700
Insurance	6,608	10,000	11,000
District management	5,806	6,000	6,500
Legal	16,406	12,000	15,000
Miscellaneous	-	545	-
Status Letter Fees	2,950	-	-
Review Fee	-	4,200	5,000
Social	-	10,000	10,000
Election	249	6,000	-
Contingency	-	-	7,459
Website	1,491	6,500	5,000
Landscaping	-	35,000	40,000
Trash collection	4,334	13,640	14,000
Snow removal	1,912	18,000	20,000
Utilities	-	12,394	14,000
Water - non utilities	2,125	4,604	5,000
Total expenditures	<u>92,592</u>	<u>205,539</u>	<u>230,000</u>
<b>TRANSFERS OUT</b>			
	<u>448</u>	<u>-</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>93,040</u>	<u>205,539</u>	<u>230,000</u>
ENDING FUND BALANCES	<u>\$ 44,790</u>	<u>\$ 17,141</u>	<u>\$ 82,012</u>
EMERGENCY RESERVE	\$ 3,600	\$ 3,900	\$ 7,400
AVAILABLE FOR OPERATIONS	41,190	13,241	74,612
TOTAL RESERVE	<u>\$ 44,790</u>	<u>\$ 17,141</u>	<u>\$ 82,012</u>

See summary of significant assumptions.

**MONUMENT JUNCTION METROPOLITAN DISTRICT NO. 1  
DEBT SERVICE FUND  
2026 BUDGET  
WITH 2024 ACTUAL AND 2025 ESTIMATED  
For the Years Ended and Ending December 31,**

1/18/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 128	\$ 6,417	\$ -
REVENUES			
Property taxes	15,847	36,731	113,661
Specific ownership taxes	1,488	3,673	10,798
PIF Revenue	21,092	28,000	30,000
Interest Income	2,756	1,500	2,000
Other Revenue	-	-	3,703
Intergovernmental revenues	69,596	223,954	339,838
Total revenues	<u>110,779</u>	<u>293,858</u>	<u>500,000</u>
Total funds available	<u>110,907</u>	<u>300,275</u>	<u>500,000</u>
EXPENDITURES			
General and administrative			
County Treasurer's Fee	238	551	1,705
Paying agent fees	-	4,000	4,000
Contingency	-	-	3,703
Bond interest	104,252	295,724	490,592
Total expenditures	<u>104,490</u>	<u>300,275</u>	<u>500,000</u>
Total expenditures and transfers out requiring appropriation	<u>104,490</u>	<u>300,275</u>	<u>500,000</u>
ENDING FUND BALANCES	<u>\$ 6,417</u>	<u>\$ -</u>	<u>\$ -</u>

See summary of significant assumptions.

**MONUMENT JUNCTION METROPOLITAN DISTRICT NO. 1**  
**CAPITAL PROJECTS FUND**  
**2026 BUDGET**  
**WITH 2024 ACTUAL AND 2025 ESTIMATED**  
**For the Years Ended and Ending December 31,**

1/18/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 1,711,710	\$ 316,654	\$ (266,588)
REVENUES			
Interest Income	64,954	6,758	-
Developer advance	-	4,270,000	1,271,588
Total revenues	<u>64,954</u>	<u>4,276,758</u>	<u>1,271,588</u>
TRANSFERS IN			
Transfers from other funds	<u>448</u>	<u>-</u>	<u>-</u>
Total funds available	<u>1,777,112</u>	<u>4,593,412</u>	<u>1,005,000</u>
EXPENDITURES			
General and Administrative			
Accounting	448	-	-
Engineering	24,466	10,000	5,000
Water options	65,829	-	-
Capital outlay	1,369,715	4,850,000	1,000,000
Total expenditures	<u>1,460,458</u>	<u>4,860,000</u>	<u>1,005,000</u>
Total expenditures and transfers out requiring appropriation	<u>1,460,458</u>	<u>4,860,000</u>	<u>1,005,000</u>
ENDING FUND BALANCES	<u>\$ 316,654</u>	<u>\$ (266,588)</u>	<u>\$ -</u>

See summary of significant assumptions.

**MONUMENT JUNCTION METROPOLITAN DISTRICT NO. 1  
2026 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

The Monument Junction Metropolitan District No. 1 (“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 Town of Monument 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 organized in conjunction with one other related financing district – Monument Junction Metropolitan District No. 2. The District serves as the Operating District which will pay all vendors of and receive reimbursement/contributions from the Financing Districts. The Financing Districts which will levy ad valorem taxes on taxable properties within each District and assess fees, rates and other charges as authorized by law. 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.

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. 1  
2026 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues (continued)**

**Property Taxes (continued)**

Pursuant to the Service Plan, the District is required to adjust its maximum Required Mill Levy for changes in the ratio of actual 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 a amount sufficient to pay the principal, premium if any, and interest on the Bonds as the same become due and payable [and to make up any deficiencies in the Reserve Fund].

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 2026, HB24B-1001 set the assessment rates and actual value reductions as follows:

<b>Category</b>	<b>Rate</b>	<b>Category</b>	<b>Rate</b>
Single-Family Residential	6.25%	Agricultural Land	27.00%
Multi-Family Residential	6.25%	Renewable Energy Land	27.00%
Commercial	27.00%	Vacant Land	27.00%
Industrial	27.00%	Personal Property	27.00%
Lodging	27.00%	State Assessed	27.00%
		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 9.5% of the property taxes collected.

**Public Improvement Fees**

The District charges public improvement fees (PIF). The nature of the PIF is that of a fee imposed under private contract and not through the exercise of any governmental taxing authority. The PIF is applied to the sale of goods at a rate of 1%, in addition to all sales and use taxes that may be imposed and is collected by the retailers in the District and remitted to the District within 20 days after month end.

**MONUMENT JUNCTION METROPOLITAN DISTRICT NO. 1  
2026 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues (continued)**

**Investment Income**

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 4.0%.

**Developer Advance**

The District is in the development state. As such, the operating and administrative expenditures will be mainly funded by the developer. Developer advances are recorded as revenue for budget purposes with an obligation for future repayment when the District is financially able to reimburse the Developer from bond proceeds and other legally available revenue.

**Intergovernmental Revenues**

The intergovernmental revenues are transfers from Monument Junction Metropolitan District No. 2 (District No. 2). The District will coordinate the payment of administrative expenditures for this districts, as well as the District's own administrative expenditures. District No. 2 also assesses and transfer administration fee ranging from \$350 to \$365, depending on unit type, from every sale or transfer of a unit within the District, and a quarterly covenant enforcement fee ranging from \$350 to \$365, depending on unit type. The service fees assessed by District No. 2 are collected and retained by the District and are reported separately from other intergovernmental revenues.

**Working Capital Fee**

The District assesses a working capital fee of \$500 per unit to be collected at or prior to the issuance of building permits.

**Expenditures**

**Administrative and Operating Expenditures**

Operating and administrative expenditures include the estimated services necessary to maintain the district's administrative viability such as legal, management, accounting, and insurance.

**County Treasurer's Fees**

County Treasurer's collection fees have been computed at 1.5% of property taxes.

**Capital Outlay**

The District plans to accept the costs of eligible public improvement costs paid for by the Developer, based on costs certified by the District Accountant and Engineer. The budgeted amounts are based on the estimate of those costs.

**MONUMENT JUNCTION METROPOLITAN DISTRICT NO. 1  
2026 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Expenditures (continued)**

**Debt Service**

Principal and interest payments for the Series 2021A Bonds are provided based on the receipt of pledged revenue (discussed under Debt and Leases).

**Debt and Leases**

**General Obligation Limited Tax Bonds, Series 2021A(3) (the Bonds)**

Bond Proceeds

The District issued the Bonds on December 14, 2021, in the par amount of \$12,258,000. Proceeds from the sale of the Bonds were used for the purposes of (i) financing or reimbursing a portion of the costs of designing, acquiring, constructing, relocating, installing, completing, and providing certain public infrastructure improvements relating to the Development; and (ii) paying costs of issuance of the Bonds.

Pledge Agreement

The District, Monument Junction Metropolitan District No. 2 (the "Pledge District") and the Trustee have entered into a Capital Pledge Agreement (the "Pledge Agreement") to provide ad valorem property tax revenue derived from the taxable property of the Pledge District and other revenue received and to be received by the Pledge District in order to pay, in combination with revenue of the District, the debt service on the Bonds.

Details of the Bonds

The Bonds bear interest at the rate of 5.750% per annum and are payable annually on December 1, beginning on December 1, 2022, but only to the extent of available Pledged Revenue. The Bonds mature on December 1, 2051 and are subject to mandatory redemption to the extent of available Pledged Revenue.

The Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest prior to the maturity date. Unpaid interest on the Bonds compounds annually on December 1. In the event any amounts due and owing on the Bonds remain outstanding on December 2, 2061, such amounts shall be deemed discharged and no longer due and outstanding.

**MONUMENT JUNCTION METROPOLITAN DISTRICT NO. 1  
2026 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debt and Leases (continued)**

**General Obligation Limited Tax Bonds, Series 2021A(3) (the Bonds) (continued)**

Optional Redemption

The Bonds are subject to redemption prior to maturity, at the option of the District, on December 1, 2026, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium equal to a percentage of the principal amount so redeemed as follows:

<u>Date of Redemption</u>	<u>Redemption Premium</u>
December 1, 2026, to November 30, 2027	3.00%
December 1, 2027, to November 30, 2028	2.00
December 1, 2028, to November 30, 2029	1.00
December 1, 2029, and thereafter	0.00

Pledged Revenue

The Bonds 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.

Required Mill Levy

The District is required to impose an ad valorem mill levy, the Required Mill Levy, upon all taxable property of the District each year in the amount of 50 mills (subject to adjustment for changes in the ratio between market value and assessed value of taxable property with the District that would cause a reduction in the revenue otherwise produced from such maximum mill levy on or after January 1, 2021) or such lesser mill levy which is sufficient to pay all of the principal of and interest on the Bonds in full.

Pledged Public Improvement Fees

The Developer has recorded a Declaration of Covenants Imposing and Implementing the Monument Junction Public Improvement Fee ("PIF") on the PIF Property which is generally defined as the anticipated commercial development in the District. A PIF of 1% is imposed on all PIF Sales occurring within the PIF Property. Pledged PIF are the PIF Revenues received in each Bond Year up to but not exceeding the Public Improvement Fee Cap and are net of any costs of collection; provided, however, Pledged Public Improvement Fees may be used for such other legally available purposes as the District may determine without being subject to the Public Improvement Fee Cap. Public Improvement Fee Cap means, for each Bond Year, an amount equal to 50% of the scheduled debt service due on the Bonds in such Bond Year.

**MONUMENT JUNCTION METROPOLITAN DISTRICT NO. 1  
2026 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debt and Leases (continued)**

**General Obligation Limited Tax Bonds, Series 2021A(3) (the Bonds) (continued)**

Pledged Fees

Pledged Fees means the moneys derived from the Pledge District Capital Revenue as imposed pursuant to the Pledge Agreement. Pledge District Capital Revenue means the moneys derived from the following sources: (1) the Mandatory Capital Levy; and (2) the portion of the Specific Ownership Tax which is collected as a result of imposition of the Mandatory Capital Levy.

The Pledge District has covenanted, for so long as the Bonds are outstanding, to cause to be levied on all of the taxable property of the Pledge District, the amount of the Mandatory Capital Levy. Mandatory Capital Levy means an ad valorem mill levy imposed on all taxable property of the Pledge District each year in the amount of 40 mills (subject to adjustment for changes in the ratio between market value and assessed value of taxable property with the Pledge District that would cause a reduction in the revenue otherwise produced from such maximum mill levy on or after January 1, 2021) or such lesser mill levy which is sufficient to pay all of the principal of and interest on the Bonds, and any Refunding Obligations thereof, in full for so long as the Bonds (or any Refunding Obligations thereof) are outstanding. The Mandatory Capital Levy is net of the collection costs of the County and any tax refunds or abatements authorized by or on behalf of the County.

Bonds Debt Service

The annual debt service requirements of the Bonds are not currently determinable since they are payable only from available Pledged Revenue.

**MONUMENT JUNCTION METROPOLITAN DISTRICT NO. 1  
2026 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debt and Leases (continued)**

**Schedule of Long-Term Obligations**

	Balance at December 31, 2024	Additions*	Repayments*	Balance at December 31, 2025*
Series 2021A Bonds	\$ 12,258,000	\$ -	\$ -	\$ 12,258,000
Accrued Interest - Series 2021A	2,165,157	825,670	295,724	2,695,103
Developer Advances - Capital	-	4,270,000	-	4,270,000
Accrued interest - Capital	-	170,800	-	170,800
Developer Advances - Operating	71,957	4,200	-	76,157
Accrued interest - Operating	12,915	5,757	-	18,672
	<u>\$ 14,508,029</u>	<u>\$ 5,276,427</u>	<u>\$ 295,724</u>	<u>\$ 19,488,732</u>
	Balance at December 31, 2025*	Additions*	Repayments*	Balance at December 31, 2026*
Series 2021A Bonds	\$ 12,258,000	\$ -	\$ -	\$ 12,258,000
Accrued Interest - Series 2021A	2,695,103	821,775	295,128	3,221,750
Developer Advances - Capital	4,270,000	1,271,588	-	5,541,588
Accrued interest - Capital	170,800	563,264	-	734,064
Developer Advances - Operating	76,157	5,000	-	81,157
Accrued interest - Operating	18,672	6,093	-	24,764
	<u>\$ 19,488,732</u>	<u>\$ 2,667,719</u>	<u>\$ 295,128</u>	<u>\$ 21,861,323</u>

\* Estimate

The District does not have any other outstanding debt nor any operating or capital leases.

**Reserves**

**Emergency Reserve**

The District has provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending for 2026, as defined under TABOR.

**This information is an integral part of the accompanying budget.**