

BRADBURN METROPOLITAN DISTRICT NO. 2  
ANNUAL BUDGET  
FOR YEAR ENDING DECEMBER 31, 2023

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

1/19/23

|   | ACTUAL<br>2021      | ESTIMATED<br>2022   | BUDGET<br>2023      |
|---|---------------------|---------------------|---------------------|
| BEGINNING FUND BALANCES   | \$ 1,027,843        | \$ 1,084,801        | \$ 1,137,523        |
| REVENUE   |                     |                     |                     |
| Property taxes  | 905,764             | 1,014,675           | 1,010,359           |
| Specific ownership tax  | 77,258              | 74,320              | 70,725              |
| Interest income   | 703                 | 17,000              | 29,500              |
| Total revenue   | <u>983,725</u>      | <u>1,105,995</u>    | <u>1,110,584</u>    |
| Total funds available   | <u>2,011,568</u>    | <u>2,190,796</u>    | <u>2,248,107</u>    |
| EXPENDITURES  |                     |                     |                     |
| General Fund  | 45,772              | 67,000              | 75,000              |
| Debt Service Fund   | 880,995             | 986,273             | 1,050,000           |
| Total expenditures  | <u>926,767</u>      | <u>1,053,273</u>    | <u>1,124,999</u>    |
| Total expenditures and transfers out<br>requiring appropriation | <u>926,767</u>      | <u>1,053,273</u>    | <u>1,124,999</u>    |
| ENDING FUND BALANCES  | <u>\$ 1,084,801</u> | <u>\$ 1,137,523</u> | <u>\$ 1,123,108</u> |
| EMERGENCY RESERVE   | \$ 2,500            | \$ 2,800            | \$ 2,900            |
| SURPLUS FUND  | 648,250             | 648,250             | 648,250             |
| SENIOR RESERVE FUND   | 324,125             | 324,125             | 324,125             |
| DEBT SERVICE FUND BALANCE                                       | 33,172              | 58,163              | 22,402              |
| TOTAL RESERVE   | <u>\$ 1,008,047</u> | <u>\$ 1,033,338</u> | <u>\$ 997,677</u>   |

No assurance provided. See summary of significant assumptions.

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

1/19/23

|  | ACTUAL<br>2021       | ESTIMATED<br>2022    | BUDGET<br>2023       |
|--|----------------------|----------------------|----------------------|
| <b>ASSESSED VALUATION - ADAMS COUNTY</b> |                      |                      |                      |
| Residential - Multi-Family               | \$ 6,033,560         | \$ 7,399,130         | \$ 7,030,490         |
| Residential - Single-Family              | -                    | -                    | 6,590                |
| Commercial                               | 6,778,210            | 6,957,800            | 6,848,710            |
| State assessed                           | 820                  | 1,340                | 2,960                |
| Vacant land                              | 391,860              | 391,860              | 391,860              |
| Personal property                        | 1,335,550            | 1,270,610            | 1,047,370            |
|  | <u>14,540,000</u>    | <u>16,020,740</u>    | <u>15,327,980</u>    |
| Adjustments                              | -                    | -                    | -                    |
| Certified Assessed Value                 | <u>\$ 14,540,000</u> | <u>\$ 16,020,740</u> | <u>\$ 15,327,980</u> |
| <br>                                     |                      |                      |                      |
| <b>MILL LEVY</b>                         |                      |                      |                      |
| General                                  | 5.752                | 5.752                | 5.992                |
| Debt Service                             | 57.523               | 57.523               | 59.924               |
|  | <u>63.275</u>        | <u>63.275</u>        | <u>65.916</u>        |
| <br>                                     |                      |                      |                      |
| <b>PROPERTY TAXES</b>                    |                      |                      |                      |
| General                                  | \$ 83,634            | \$ 92,151            | \$ 91,845            |
| Debt Service                             | 836,384              | 921,561              | 918,514              |
| Levied property taxes                    | <u>920,018</u>       | <u>1,013,712</u>     | <u>1,010,359</u>     |
| Adjustments to actual/rounding           | (14,254)             | 963                  | -                    |
| Budgeted property taxes                  | <u>\$ 905,764</u>    | <u>\$ 1,014,675</u>  | <u>\$ 1,010,359</u>  |
| <br>                                     |                      |                      |                      |
| <b>BUDGETED PROPERTY TAXES</b>           |                      |                      |                      |
| General                                  | \$ 82,338            | \$ 92,230            | \$ 91,845            |
| Debt Service                             | 823,426              | 922,445              | 918,514              |
|  | <u>\$ 905,764</u>    | <u>\$ 1,014,675</u>  | <u>\$ 1,010,359</u>  |

No assurance provided. See summary of significant assumptions.

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

1/19/23

|   | ACTUAL<br>2021   | ESTIMATED<br>2022 | BUDGET<br>2023    |
|---|------------------|-------------------|-------------------|
| BEGINNING FUND BALANCE  | \$ 42,572        | \$ 79,255         | \$ 106,985        |
| REVENUE   |                  |                   |                   |
| Property taxes  | 82,338           | 92,230            | 91,845            |
| Interest income   | 117              | 2,500             | 4,500             |
| Total revenue   | <u>82,455</u>    | <u>94,730</u>     | <u>96,345</u>     |
| Total funds available   | <u>125,027</u>   | <u>173,985</u>    | <u>203,330</u>    |
| EXPENDITURES  |                  |                   |                   |
| General and administrative                                      |                  |                   |                   |
| Accounting  | 24,458           | 30,000            | 33,000            |
| Auditing  | 5,200            | 5,600             | 6,000             |
| County Treasurer's fee  | 1,236            | 1,377             | 1,378             |
| Dues and licenses   | 319              | 319               | 400               |
| Election expense  | -                | 2,400             | 3,000             |
| Insurance and bonds   | 3,105            | 2,854             | 3,100             |
| Legal services  | 11,421           | 15,000            | 24,000            |
| Miscellaneous   | 33               | 300               | 300               |
| Contingency   | -                | 7,300             | 3,322             |
| Website development   | -                | 1,850             | 500               |
| Total expenditures  | <u>45,772</u>    | <u>67,000</u>     | <u>75,000</u>     |
| Total expenditures and transfers out<br>requiring appropriation | <u>45,772</u>    | <u>67,000</u>     | <u>75,000</u>     |
| ENDING FUND BALANCE   | <u>\$ 79,255</u> | <u>\$ 106,985</u> | <u>\$ 128,331</u> |
| EMERGENCY RESERVE   | <u>\$ 2,500</u>  | <u>\$ 2,800</u>   | <u>\$ 2,900</u>   |
| TOTAL RESERVE   | <u>\$ 2,500</u>  | <u>\$ 2,800</u>   | <u>\$ 2,900</u>   |

No assurance provided. See summary of significant assumptions.

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

1/19/23

|   | ACTUAL<br>2021 | ESTIMATED<br>2022 | BUDGET<br>2023 |
|---|----------------|-------------------|----------------|
| BEGINNING FUND BALANCE  | \$ 985,271     | \$ 1,005,546      | \$ 1,030,538   |
| REVENUE   |                |                   |                |
| Property taxes  | 823,426        | 922,445           | 918,514        |
| Specific ownership tax  | 77,258         | 74,320            | 70,725         |
| Interest income   | 586            | 14,500            | 25,000         |
| Total revenue   | 901,270        | 1,011,265         | 1,014,239      |
| Total funds available   | 1,886,541      | 2,016,811         | 2,044,777      |
| EXPENDITURES  |                |                   |                |
| General and administrative                                      |                |                   |                |
| County Treasurer's fee  | 12,365         | 13,769            | 13,778         |
| Paying agent fees   | 8,000          | 8,000             | 8,000          |
| Contingency   | -              | 6,431             | 9,022          |
| Debt Service  |                |                   |                |
| Bond Interest - Series 2018A                                    | 464,000        | 456,800           | 449,200        |
| Bond interest - Series 2018B                                    | 216,630        | 311,273           | 375,000        |
| Bond Principal - Series 2018                                    | 180,000        | 190,000           | 195,000        |
| Total expenditures  | 880,995        | 986,273           | 1,050,000      |
| Total expenditures and transfers out<br>requiring appropriation | 880,995        | 986,273           | 1,050,000      |
| ENDING FUND BALANCE   | \$ 1,005,546   | \$ 1,030,538      | \$ 994,777     |
| SURPLUS FUND  | \$ 648,250     | \$ 648,250        | \$ 648,250     |
| SENIOR RESERVE FUND   | 324,125        | 324,125           | 324,125        |
| DEBT SERVICE FUND BALANCE                                       | 33,172         | 58,163            | 22,402         |
| TOTAL RESERVE   | \$ 1,005,546   | \$ 1,030,538      | \$ 994,777     |

No assurance provided. See summary of significant assumptions.

**BRADBURN METROPOLITAN DISTRICT NO. 2**  
**2023 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  
2023 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, 2023, the adjusted maximum mill levy for debt service is 59.853 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.

**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 2%.

**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).

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

**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.

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.



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

**Debt and Leases (continued)**

|                               | Balance -<br>December 31,<br>2021 | Net Issues/<br>Additions | Retirements/<br>Refundings | Balance -<br>December 31,<br>2022 | Current<br>Portion |
|-------------------------------|-----------------------------------|--------------------------|----------------------------|-----------------------------------|--------------------|
| 2018A - \$10,120,000          |                                   |                          |                            |                                   |                    |
| G.O. Bonds                    | \$ 9,435,000                      | \$ -                     | \$ 190,000                 | \$ 9,425,000                      | \$ 195,000         |
| Subordinate Bonds             | 2,988,000                         | -                        | -                          | 2,988,000                         | -                  |
| Accrued interest -            |                                   |                          |                            |                                   |                    |
| 2018B Subordinate Bonds       | 570,725                           | 257,178                  | 311,273                    | 516,630                           | -                  |
| 2018C - \$3,271,000           |                                   |                          |                            |                                   |                    |
| Junior Lien Bonds             | 3,271,000                         | -                        | -                          | 3,271,000                         | -                  |
| Accrued interest -            |                                   |                          |                            |                                   |                    |
| 2018C Junior Lien Bonds       | 1,036,284                         | 323,046                  | -                          | 1,359,330                         | -                  |
| Developer Advance - Operation | 15,600                            | -                        | -                          | 15,600                            | -                  |
| Accrued interest - Operation  | 224,447                           | -                        | -                          | 224,447                           | -                  |
| Accrued interest - Capital    | 844,177                           | -                        | -                          | 844,177                           | -                  |
| Total                         | <u>\$ 18,385,233</u>              | <u>\$ 580,224</u>        | <u>\$ 501,273</u>          | <u>\$ 18,644,184</u>              | <u>\$ 195,000</u>  |

|                               | Balance -<br>December 31,<br>2022 | Net Issues/<br>Additions | Retirements/<br>Refundings | Balance -<br>December 31,<br>2023 | Current<br>Portion |
|-------------------------------|-----------------------------------|--------------------------|----------------------------|-----------------------------------|--------------------|
| 2018A - \$10,120,000          |                                   |                          |                            |                                   |                    |
| G.O. Bonds                    | \$ 9,425,000                      | \$ -                     | \$ 195,000                 | \$ 9,230,000                      | \$ 205,000         |
| Subordinate Bonds             | 2,988,000                         | -                        | -                          | 2,988,000                         | -                  |
| Accrued interest -            |                                   |                          |                            |                                   |                    |
| 2018B Subordinate Bonds       | 516,630                           | 253,257                  | 375,000                    | 394,887                           | -                  |
| 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                            | -                        | -                          | 15,600                            | -                  |
| Accrued interest - Operation  | 224,447                           | -                        | -                          | 224,447                           | -                  |
| Accrued interest - Capital    | 844,177                           | -                        | -                          | 844,177                           | -                  |
| Total                         | <u>\$ 18,644,184</u>              | <u>\$ 600,532</u>        | <u>\$ 570,000</u>          | <u>\$ 18,674,716</u>              | <u>\$ 205,000</u>  |

This district has no operating or capital leases.

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

**Reserve Funds**

**Emergency Reserve**

The District has provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending for 2023, 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**

| <b>Year Ended<br/>December 31,</b> | <b>Principal Due December 1</b> |                     | <b>Total<br/>General<br/>Obligation<br/>Debt</b> |
|------------------------------------|---------------------------------|---------------------|--|
|                                    | <b>Principal</b>                | <b>Interest</b>     |  |
| 2023                               | \$ 195,000                      | \$ 449,200          | \$ 644,200                                       |
| 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  |
|                                    | <b>\$ 9,245,000</b>             | <b>\$ 7,235,300</b> | <b>\$ 16,480,300</b>                             |

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.