

PTARMIGAN WEST METROPOLITAN DISTRICT NO. 2

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2023

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

1/30/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ -	\$ 1,644,930	\$ 1,341,247
REVENUES			
Bond issuance	8,455,000	-	-
Property taxes	20,936	62,166	84,351
Specific ownership tax	1,591	4,352	5,905
Interest income	33	1,000	98,000
Other revenue	-	-	1,431
Total revenues	<u>8,477,560</u>	<u>67,518</u>	<u>189,686</u>
TRANSFERS IN	<u>1,739,181</u>	<u>15,495</u>	<u>-</u>
Total funds available	<u>10,216,741</u>	<u>1,727,943</u>	<u>1,530,933</u>
EXPENDITURES			
General Fund	22,527	8,528	13,000
Debt Service Fund	111,599	360,853	362,000
Capital Projects Fund	6,698,504	1,820	-
Total expenditures	<u>6,832,630</u>	<u>371,201</u>	<u>375,000</u>
TRANSFERS OUT	<u>1,739,181</u>	<u>15,495</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>8,571,811</u>	<u>386,696</u>	<u>375,000</u>
ENDING FUND BALANCES	<u>\$ 1,644,930</u>	<u>\$ 1,341,247</u>	<u>\$ 1,155,933</u>
DEBT SERVICE RESERVE FUND	-	686,875	686,875
CAPITALIZED INTEREST/BOND FUND	-	654,372	469,058
TOTAL RESERVE	<u>\$ -</u>	<u>\$ 1,341,247</u>	<u>\$ 1,155,933</u>

No assurance provided. See summary of significant assumptions

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

1/30/23

ACTUAL	ESTIMATED	BUDGET
2021	2022	2023

ASSESSED VALUATION

Residential	\$ -	\$ -	\$ 988,285
Commercial	-	-	87,354
Vacant land	536,831	1,431,832	835,334
State Assessed	-	-	3,430
Certified Assessed Value	\$ 536,831	\$ 1,431,832	\$ 1,914,403

MILL LEVY

General	39.000	5.566	5.648
Debt Service	0.000	37.851	38.413
Total mill levy	39.000	43.417	44.061

PROPERTY TAXES

General	\$ 20,936	\$ 7,970	\$ 10,813
Debt Service	-	\$ 54,196	73,538
Levied property taxes	20,936	\$ 62,166	84,351
Budgeted property taxes	\$ 20,936	\$ 62,166	\$ 84,351

BUDGETED PROPERTY TAXES

General	\$ 20,936	\$ 7,970	\$ 10,813
Debt Service	-	54,196	73,538
	\$ 20,936	\$ 62,166	\$ 84,351

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

1/30/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	20,936	7,970	10,813
Specific ownership tax	1,591	558	757
Other revenue	-	-	1,431
Total revenues	<u>22,527</u>	<u>8,528</u>	<u>13,000</u>
Total funds available	<u>22,527</u>	<u>8,528</u>	<u>13,000</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	418	161	216
Intergovernmental expenditures - District No. 1	22,109	8,367	11,354
Contingency	-	-	1,430
Total expenditures	<u>22,527</u>	<u>8,528</u>	<u>13,000</u>
Total expenditures and transfers out requiring appropriation	<u>22,527</u>	<u>8,528</u>	<u>13,000</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

1/30/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ -	\$ 1,627,615	\$ 1,341,247
REVENUES			
Property taxes	-	54,196	73,538
Specific ownership tax	-	3,794	5,148
Interest income	33	1,000	98,000
Total revenues	<u>33</u>	<u>58,990</u>	<u>176,686</u>
TRANSFERS IN			
Transfers from other funds	<u>1,739,181</u>	<u>15,495</u>	<u>-</u>
Total funds available	<u>1,739,214</u>	<u>1,702,100</u>	<u>1,517,933</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	-	1,084	1,471
Paying agent fees	6,000	5,000	6,000
Contingency	-	6,000	5,760
Debt Service			
Bond interest	105,599	348,769	348,769
Total expenditures	<u>111,599</u>	<u>360,853</u>	<u>362,000</u>
Total expenditures and transfers out requiring appropriation	<u>111,599</u>	<u>360,853</u>	<u>362,000</u>
ENDING FUND BALANCES	<u>\$ 1,627,615</u>	<u>\$ 1,341,247</u>	<u>\$ 1,155,933</u>
DEBT SERVICE RESERVE FUND	\$ -	\$ 686,875	\$ 686,875
CAPITALIZED INTEREST/BOND FUND	-	654,372	469,058
	<u>\$ -</u>	<u>\$ 1,341,247</u>	<u>\$ 1,155,933</u>

No assurance provided. See summary of significant assumptions

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

1/30/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ -	\$ 17,315	\$ -
REVENUES			
Bond issuance	8,455,000	-	-
Total revenues	<u>8,455,000</u>	<u>-</u>	<u>-</u>
Total funds available	<u>8,455,000</u>	<u>17,315</u>	<u>-</u>
EXPENDITURES			
Transfer to District No. 1	6,284,171	-	-
Cost of issuance	414,333	1,820	-
Total expenditures	<u>6,698,504</u>	<u>1,820</u>	<u>-</u>
TRANSFERS OUT			
Transfers to other fund	<u>1,739,181</u>	<u>15,495</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>8,437,685</u>	<u>17,315</u>	<u>-</u>
ENDING FUND BALANCES	<u>\$ 17,315</u>	<u>\$ -</u>	<u>\$ -</u>

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

Services Provided

Ptarmigan West Metropolitan District No. 2 (District), a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized concurrently with Ptarmigan West Metropolitan District Nos. 1 and 3 (collectively, the Districts) by order and decree of the District Court for Larimer County on June 1, 2018, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District's service area is located entirely within the Town of Windsor, Larimer County, Colorado.

Pursuant to the Consolidated Service Plan, District Nos. 2 and 3 will serve as the financing districts responsible for providing the funding and tax base needed to support the capital improvements. District No. 1 will serve as the service district and will be responsible for managing the construction and operation of the facilities and improvements for the Districts, including streets and safety controls, park and recreation facilities, water, sanitary storm/sewer, transportation, mosquito control, fire protection, television relay and translation, and security.

During elections held on May 8, 2018, a majority of the District's electors authorized general obligation indebtedness of \$375,000,000, for the above listed facilities, intergovernmental agreements, special assessments, debt refunding, and contracts with private entities. Moreover, the May 8, 2018 election also approved an annual increase in property taxes of \$10,000,000 without limitation of rate, to pay the District's operation and maintenance costs.

The Consolidated Service Plan limits the aggregate amount of debt that may be issued by the Districts to \$25,000,000. 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 are, 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, sale of the

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

Revenues – (continued)

tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District. 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.

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 7% of the property taxes collected.

Expenditures

Intergovernmental expenditures – District No. 1

The District has entered into an intergovernmental agreement with District No. 1, whereby the net tax revenue collected by the District from its operating mill levy is transferred to District No. 1 to fund operations of the Districts.

County Treasurer's Fees

County Treasurer's fees have been computed at 2% of property tax collections.

Debt and Leases

On August 12, 2021, the District issued Limited Tax General Obligation Bonds, Series 2021(3) (the Bonds) with a par amount of \$8,455,000 and a final maturity of December 1, 2051. The Bonds bear interest at the rate of 4.125% per annum with principal redemption payable from available pledged revenues on each December 1, beginning on December 1, 2025. The principal on the Bonds is payable at final maturity or upon optional redemption. Interest on the Bonds is payable semi-annually on June 1 and December 1 of each year, beginning December 1, 2021.

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

Reserve

Emergency Reserve

The District has not provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending for 2023, as defined under TABOR, because net tax revenue is anticipated to be transferred to District No. 1, which will provide for the required reserve amount.

This information is an integral part of the accompanying budget.

PTARMIGAN WEST METROPOLITAN DISTRICT NO. 2
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
December 31, 2023

\$8,455,000

Limited Tax General Obligation Bonds

Series 2021(3)

Dated August 12, 2021

Interest Rate 4.125%

Interest Due June 1 and December 1

Principal Due December 1

Principal and Interest Maturing in the Year Ending December 31	Principal Due December 1		
	Principal	Interest	Total
2023	\$ -	\$ 348,769	\$ 348,769
2024	-	348,769	348,769
2025	10,000	348,769	358,769
2026	35,000	348,356	383,356
2027	35,000	346,913	381,913
2028	60,000	345,469	405,469
2029	60,000	342,994	402,994
2030	90,000	340,519	430,519
2031	90,000	336,806	426,806
2032	120,000	333,094	453,094
2033	125,000	328,144	453,144
2034	160,000	322,988	482,988
2035	165,000	316,388	481,388
2036	200,000	309,581	509,581
2037	210,000	301,331	511,331
2038	250,000	292,669	542,669
2039	260,000	282,356	542,356
2040	305,000	271,631	576,631
2041	315,000	259,050	574,050
2042	365,000	246,056	611,056
2043	380,000	231,000	611,000
2044	435,000	215,325	650,325
2045	450,000	197,381	647,381
2046	510,000	178,819	688,819
2047	530,000	157,781	687,781
2048	595,000	135,919	730,919
2049	615,000	111,375	726,375
2050	685,000	86,006	771,006
2051	1,400,000	57,750	1,457,750
	\$ 8,455,000	\$ 7,742,008	\$ 16,197,008

No assurance provided. See summary of significant assumptions