

WARD TOD METROPOLITAN DISTRICT NO. 1
ANNUAL BUDGET
FOR YEAR ENDING DECEMBER 31, 2024

**WARD TOD METROPOLITAN DISTRICT NO. 1
SUMMARY
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 817,823	\$ 658,278	\$ 678,894
REVENUES			
Property taxes	146,081	182,553	403,483
Specific ownership taxes	10,949	13,800	28,244
Interest income	12,708	33,000	34,000
Developer advance	23,889	987,057	2,336,383
Other revenue	-	-	-
Water Reimbursement	4,452	11,000	8,400
TIF revenue	10,389	32,649	27,305
Total revenues	<u>208,468</u>	<u>1,260,059</u>	<u>2,837,815</u>
Total funds available	<u>1,026,291</u>	<u>1,918,337</u>	<u>3,516,709</u>
EXPENDITURES			
General Fund	94,396	158,250	260,000
Debt Service Fund	268,505	268,993	280,000
Capital Projects Fund	5,112	812,200	2,200,000
Total expenditures	<u>368,013</u>	<u>1,239,443</u>	<u>2,740,000</u>
Total expenditures and transfers out requiring appropriation	<u>368,013</u>	<u>1,239,443</u>	<u>2,740,000</u>
ENDING FUND BALANCES	<u>\$ 658,278</u>	<u>\$ 678,894</u>	<u>\$ 776,708</u>
EMERGENCY RESERVE	\$ 1,200	\$ 1,600	\$ 3,300
AVAILABLE FOR OPERATIONS	(42,236)	18,274	-
TOTAL RESERVE	<u>\$ (41,036)</u>	<u>\$ 19,874</u>	<u>\$ 3,300</u>

No assurance is provided. See summary of significant assumptions.

WARD TOD METROPOLITAN DISTRICT NO. 1
PROPERTY TAX SUMMARY INFORMATION
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,

ACTUAL	ESTIMATED	BUDGET
2022	2023	2024

ASSESSED VALUATION

Residential	\$ 371,937	\$ 1,938,253	\$ 3,620,736
State assessed	38	400	588
Vacant land	1,735,892	673,038	1,546,713
Personal property	6,900	59,856	83,451
	<u>2,114,767</u>	<u>2,671,547</u>	<u>5,251,488</u>
Adjustments	(135,892)	(246,970)	(608,524)
Certified Assessed Value	<u>\$ 1,978,875</u>	<u>\$ 2,424,577</u>	<u>\$ 4,642,964</u>

MILL LEVY

General	15.000	15.000	17.380
Debt Service	60.419	61.680	69.522
Total mill levy	<u>75.419</u>	<u>76.680</u>	<u>86.902</u>

PROPERTY TAXES

General	\$ 29,683	\$ 36,369	\$ 80,695
Debt Service	119,562	149,548	322,788
Levied property taxes	<u>149,245</u>	<u>185,917</u>	<u>403,483</u>
Adjustments to actual/rounding	(1,355)	-	-
Refunds and abatements	(1,809)	(3,364)	-
Budgeted property taxes	<u>\$ 146,081</u>	<u>\$ 182,553</u>	<u>\$ 403,483</u>

BUDGETED PROPERTY TAXES

General	\$ 29,054	\$ 35,711	\$ 80,695
Debt Service	117,027	146,842	322,788
	<u>\$ 146,081</u>	<u>\$ 182,553</u>	<u>\$ 403,483</u>

No assurance is provided. See summary of significant assumptions.

**WARD TOD METROPOLITAN DISTRICT NO. 1
GENERAL FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ (7,204)	\$ (41,036)	\$ 19,874
REVENUES			
Property taxes	29,054	35,711	80,695
Specific ownership taxes	2,178	2,800	5,649
TIF revenue	2,066	3,649	12,300
Water Reimbursement	4,452	11,000	8,400
Developer advance	22,814	166,000	136,383
Total revenues	60,564	219,160	243,427
TRANSFERS IN			
Total funds available	53,360	178,124	263,301
EXPENDITURES			
General and administrative			
Accounting	19,374	30,000	33,000
Auditing	5,400	5,400	6,600
County Treasurer's fee	436	546	1,210
Dues and membership	350	369	550
Insurance	4,791	7,081	5,830
District management	-	12,144	48,000
Legal	15,944	25,000	22,000
Miscellaneous	611	318	1,650
Banking fees	-	200	-
Election	2,289	2,692	-
Repay developer advance	15	-	-
Contingency	-	-	6,660
Operations and maintenance			
Repairs and maintenance	-	-	15,000
Landscaping	8,829	40,000	45,000
Snow removal	21,492	30,000	40,000
Xcel Energy	953	1,300	4,500
Water	13,912	3,200	30,000
Total expenditures	94,396	158,250	260,000
TRANSFERS OUT			
Total expenditures and transfers out requiring appropriation	94,396	158,250	260,000
ENDING FUND BALANCES	\$ (41,036)	\$ 19,874	\$ 3,300
EMERGENCY RESERVE	\$ 1,200	\$ 1,600	\$ 3,300
AVAILABLE FOR OPERATIONS	(42,236)	18,274	-
TOTAL RESERVE	\$ (41,036)	\$ 19,874	\$ 3,300

No assurance is provided. See summary of significant assumptions.

**WARD TOD METROPOLITAN DISTRICT NO. 1
DEBT SERVICE FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 829,847	\$ 708,171	\$ 659,020
REVENUES			
Property taxes	117,027	146,842	322,788
Specific ownership taxes	8,771	11,000	22,595
TIF revenue	8,323	29,000	15,005
Interest income	12,708	33,000	34,000
Total revenues	146,829	219,842	394,388
Total funds available	976,676	928,013	1,053,408
EXPENDITURES			
General and administrative			
County Treasurer's fee	1,755	2,243	4,842
Paying agent fees	9,500	9,500	9,500
Contingency	-	-	8,408
Debt Service			
Bond Interest - 2019A	257,250	257,250	257,250
Total expenditures	268,505	268,993	280,000
Total expenditures and transfers out requiring appropriation	268,505	268,993	280,000
ENDING FUND BALANCES	\$ 708,171	\$ 659,020	\$ 773,408

No assurance is provided. See summary of significant assumptions.

**WARD TOD METROPOLITAN DISTRICT NO. 1
CAPITAL PROJECTS FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ (4,820)	\$ (8,857)	\$ -
REVENUES			
Developer advance	1,075	821,057	2,200,000
Total revenues	<u>1,075</u>	<u>821,057</u>	<u>2,200,000</u>
Total funds available	<u>(3,745)</u>	<u>812,200</u>	<u>2,200,000</u>
EXPENDITURES			
General and Administrative			
Accounting	-	600	3,300
Legal	1,612	1,100	6,050
Capital Projects			
Engineering	3,500	7,500	16,500
Capital outlay	-	803,000	2,174,150
Total expenditures	<u>5,112</u>	<u>812,200</u>	<u>2,200,000</u>
Total expenditures and transfers out requiring appropriation	<u>5,112</u>	<u>812,200</u>	<u>2,200,000</u>
ENDING FUND BALANCES	<u>\$ (8,857)</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance is provided. See summary of significant assumptions.

**WARD TOD METROPOLITAN DISTRICT NO. 1
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

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 Jefferson County on April 9, 2012, 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 City of Wheat Ridge, Jefferson County, Colorado.

The District was established to provide for the planning, design, acquisition, construction, installation, relocation and/or redevelopment of the public improvements and services, including streets, water, sanitation and storm drainage traffic and safety controls, transportation, television relay and translation and mosquito control. Under its Service Plan, The District was organized in conjunction with two other related Districts: Ward TOD Metropolitan District Nos. 2 and 3. Ward TOD Metropolitan District No.1 serves as a Management District, and Ward TOD Metropolitan District Nos. 2 and 3 serve as Financing Districts.

Pursuant to the Service Plan, the district is permitted to issue bond indebtedness of up to \$25,000,000. On December 5, 2019, the District issued \$5,145,000 in (Limited Tax Convertible to Unlimited tax) General Obligation Bonds Series 2019A, \$600,000 in Subordinate Limited Tax General Obligation Bonds Series 2019B, and \$708,000 Junior Lien Limited Tax General Obligation Bonds Series 2019C.

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 sales of the tax liens on delinquent properties are held in October. The County Treasurer remits the taxes collected monthly to the District.

**WARD TOD METROPOLITAN DISTRICT NO. 1
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (Continued)

Property Taxes (continued)

The Maximum Debt Mill Levy the District is permitted to impose is 60.000 mills (subject to adjustment for changes in the method of calculating the assessed valuation with the District) for any Debt which exceeds fifty percent of the District's assessed valuation. For the portion of any Debt which is equal to or less than fifty percent of the District's assessed valuation, either on the date of issuance or at any time thereafter, the mill levy to be imposed to repay such portion of Debt shall not be subject to the Maximum Debt Mill Levy.

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 2024, the assessment rate for single family residential property decreases to 6.765% from 6.95%. The rate for multifamily residential property, the newly created subclass, decreases to 6.765% from 6.80%. Agricultural and renewable energy production property remains the same as last year at 26.4%. Producing oil and gas remains at 87.5%. All other nonresidential property decreases to 27.90% from 29%.

As a result of the assessment ratio change for collection year 2024, the 60.000 mills will be required to adjust to 62.158 mills for debt service.

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%			

**WARD TOD METROPOLITAN DISTRICT NO. 1
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (Continued)

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.

Developer Advances

The District is in the development stage. As such, the operating and administrative expenditures will be mainly funded by the Developer. A major portion of the capital expenditures are also expected to be 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.

Urban Renewal TIF

Pursuant to the Intergovernmental Tax Sharing Agreement dated October 1, 2019 with the Wheat Ridge Urban Renewal Authority, the District will receive the tax increment ("TIF") generated from the Wheat Ridge Urban Renewal Project area to be used toward the repayment of the District's bonds.

Water Reimbursement

Pursuant to the Water Cost Sharing Agreement with Ward Station Homeowners Association (HOA), the HOA agrees to reimburse the District for HOA's proportional share of water use based on square footage of the HOA Tracts.

Investment Income

Interest earned on the District's available funds has been estimated based upon an average interest rate of approximately 3%.

**WARD TOD METROPOLITAN DISTRICT NO. 1
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures

Administrative and Operating Expenditures

Operating and administrative expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, accounting, insurance, banking, meeting expense and other administrative expenses.

County Treasurer's Fees

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

Capital Outlay

The District anticipates infrastructure improvements as noted in the Capital Projects fund.

Debt Service

Principal and interest payments are provided based on the anticipated debt amortization schedule from the Senior Bonds, Subordinate Bonds, and Junior Lien Bonds (discussed under Debt and Leases). Anticipated debt service schedules are not provided for the Subordinate Bonds and Junior Lien Bonds because their repayment schedule is based on available cash flow.

WARD TOD METROPOLITAN DISTRICT NO. 1
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Debt and Leases

On December 5, 2019, the District issued \$5,145,000 in (Limited Tax Convertible to Unlimited tax) General Obligation Bonds Series 2019A, \$600,000 in Subordinate Limited Tax General Obligation Bonds Series 2019B, and \$708,000 Junior Lien Limited Tax General Obligation Bonds Series 2019C. The proceeds of the Senior Bonds will be used to fund: (i) the Initial Deposit to the Surplus Fund; (ii) capitalized interest on the Senior Bonds; (iii) pay the Project costs; and, (iv) the costs of issuing the Senior Bonds, the Subordinate Bonds and the Junior Lien Bonds. Proceeds of the Subordinate Bonds will be used to pay Project costs. The Junior Lien Bonds will be issued for the purpose of paying Project Costs, comprised of paying a portion of amounts due and payable to the Developer under the Acquisition and Reimbursement Agreement.

The Senior Bonds bear interest at 5.000% and are payable semi-annually on June 1 and December 1, commencing December 1, 2019. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2026. The Senior Bonds mature on December 1, 2049.

The Subordinate Bonds are issued at the rate of 7.750% per annum and are payable annually on December 15, beginning December 15, 2019, from, and to the extent of, Subordinate Pledged Revenue available, if any, and mature on December 15, 2049. 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 through December 15, 2049. In the event that any principal or interest on the Subordinate Bonds remains unpaid after the application of all Subordinate Pledged Revenue available on December 15, 2059, the Subordinate Bonds shall be deemed discharged.

The Junior Lien Bonds are issued at the rate of 9.000% per annum and are payable annually on December 15, beginning December 15, 2019, from, and to the extent of, Junior Lien Pledged Revenue available, if any, and mature on December 15, 2052. The Junior Lien Bonds are structured as cash flow bonds meaning that no regularly scheduled principal payments are due prior to the maturity date, and interest payments not paid when due will accrue and compound until sufficient Junior Lien Pledged Revenue is available for payment. Principal and interest payments are due on the Junior Lien Bonds on each December 15 through December 15, 2052, only to the extent of available Junior Lien Pledged Revenue. In the event that any principal or interest on the Junior Lien Bonds remains unpaid after the application of all Junior Lien Pledged Revenue available on December 15, 2059, the Junior Lien Bonds shall be deemed discharged.

Debt service schedules are not provided for the Subordinate Bonds and Junior Lien Bonds because their repayment schedule is based on available cash flow.

The District has no operating and capital leases.

**WARD TOD METROPOLITAN DISTRICT NO. 1
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Reserves

Debt Service Reserves

The District maintains a Debt Service Reserve, based on the amount held in our Debt Service Surplus fund, as required with the issuance of the Senior Bonds.

Emergency Reserve

The District has provided for an emergency reserve fund equal to at least 3% of fiscal year spending as defined under TABOR.

This information is an integral part of the accompanying budget.

**WARD TOD METROPOLITAN DISTRICT NO. 1
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

**\$5,145,000 Limited Tax (Convertible to Unlimited Tax) Senior
Bonds**

Interest Rate 5.00%

Date: December 5, 2019

Interest Payable June 1 and December 1

Year Ending December 31,	Principal Payable December 1		
	Principal	Interest	Total
2024	\$ -	\$ 257,250	\$ 257,250
2025	-	257,250	257,250
2026	40,000	257,250	297,250
2027	80,000	255,250	335,250
2028	90,000	251,250	341,250
2029	95,000	246,750	341,750
2030	105,000	242,000	347,000
2031	110,000	236,750	346,750
2032	125,000	231,250	356,250
2033	130,000	225,000	355,000
2034	145,000	218,500	363,500
2035	150,000	211,250	361,250
2036	165,000	203,750	368,750
2037	175,000	195,500	370,500
2038	190,000	186,750	376,750
2039	200,000	177,250	377,250
2040	220,000	167,250	387,250
2041	230,000	156,250	386,250
2042	250,000	144,750	394,750
2043	260,000	132,250	392,250
2044	280,000	119,250	399,250
2045	295,000	105,250	400,250
2046	320,000	90,500	410,500
2047	335,000	74,500	409,500
2048	360,000	57,750	417,750
2049	795,000	39,750	834,750
	<u>\$ 5,145,000</u>	<u>\$ 4,740,500</u>	<u>\$ 9,885,500</u>

No assurance is provided. See summary of significant assumptions.