

PARK UNION METROPOLITAN DISTRICT NO.1
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2022

**PARK UNION METROPOLITAN DISTRICT NO 1
SUMMARY
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

12/13/21

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	80,445	103,548	96,114
Specific ownership tax	8,787	11,926	9,612
Interest income	205	14	14
Other revenue	-	2,815	4,000
Total revenues	<u>89,437</u>	<u>118,303</u>	<u>109,740</u>
Total funds available	<u>89,437</u>	<u>118,303</u>	<u>109,740</u>
General Fund	22,411	30,676	28,437
Contractual Revenue Fund	67,026	87,627	81,303
Total expenditures	<u>89,437</u>	<u>118,303</u>	<u>109,740</u>
Total expenditures and transfers out requiring appropriation	<u>89,437</u>	<u>118,303</u>	<u>109,740</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

PARK UNION METROPOLITAN DISTRICT NO 1
PROPERTY TAX SUMMARY INFORMATION
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,

12/13/21

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
ASSESSED VALUATION			
Commercial	\$ 1,792,170	\$ 2,310,150	\$ 1,381,790
Vacant land	228,690	278,550	1,021,060
Certified Assessed Value	<u>\$ 2,020,860</u>	<u>\$ 2,588,700</u>	<u>\$ 2,402,850</u>
MILL LEVY			
General	10.000	10.000	10.000
Contractual	30.000	30.000	30.000
Total mill levy	<u>40.000</u>	<u>40.000</u>	<u>40.000</u>
PROPERTY TAXES			
General	\$ 20,208	\$ 25,887	\$ 24,028
Contractual	60,626	77,661	72,086
Levied property taxes	80,834	103,548	96,114
Adjustments to actual/rounding	(389)	-	-
Budgeted property taxes	<u>\$ 80,445</u>	<u>\$ 103,548</u>	<u>\$ 96,114</u>
BUDGETED PROPERTY TAXES			
General	\$ 20,111	\$ 25,887	\$ 24,028
Contractual	60,334	77,661	72,086
	<u>\$ 80,445</u>	<u>\$ 103,548</u>	<u>\$ 96,114</u>

**PARK UNION METROPOLITAN DISTRICT NO 1
GENERAL FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

12/13/21

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
REVENUES			
Property taxes	20,111	25,887	24,028
Specific ownership tax	2,197	2,982	2,403
Interest income	103	6	6
Other revenue	-	1,801	2,000
Total revenues	<u>22,411</u>	<u>30,676</u>	<u>28,437</u>
Total funds available	<u>22,411</u>	<u>30,676</u>	<u>28,437</u>
EXPENDITURES			
General and administrative			
Intergovernmental expenditures	22,109	28,094	26,077
County Treasurer's fee	302	388	360
Miscellaneous	-	2,194	2,000
Total expenditures	<u>22,411</u>	<u>30,676</u>	<u>28,437</u>
Total expenditures and transfers out requiring appropriation	<u>22,411</u>	<u>30,676</u>	<u>28,437</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**PARK UNION METROPOLITAN DISTRICT NO 1
 CONTRACTUAL REVENUE FUND
 2022 BUDGET
 WITH 2020 ACTUAL AND 2021 ESTIMATED
 For the Years Ended and Ending December 31,**

12/13/21

	ACTUAL 2020	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
REVENUES			
Property taxes	60,334	77,661	72,086
Specific ownership tax	6,590	8,944	7,209
Interest income	102	8	8
Other revenue	-	1,014	2,000
Total revenues	<u>67,026</u>	<u>87,627</u>	<u>81,303</u>
Total funds available	<u>67,026</u>	<u>87,627</u>	<u>81,303</u>
			-
EXPENDITURES			
General and administrative			
County Treasurer's fee	905	1,165	1,081
Intergovernmental expenditures	66,121	84,270	78,222
Contingency	-	2,192	2,000
Total expenditures	<u>67,026</u>	<u>87,627</u>	<u>81,303</u>
Total expenditures and transfers out requiring appropriation	<u>67,026</u>	<u>87,627</u>	<u>81,303</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**PARK UNION METROPOLITAN DISTRICT NO 1
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The Park Union Metropolitan District No.1, formerly known as SW Downton Metropolitan District No.1 (the "District") and The Park Union Metropolitan District No.2, formerly known as SW Downtown Metropolitan District No. 2 ("District No. 2") (collectively the "Districts") were formed under a Service Plan approved by the City of Colorado Springs, El Paso County, Colorado (the "City"), on September 26, 2017. The Districts' service area is located entirely within the City. The primary purpose of the Districts will be to provide for the planning, design, acquisition, construction, installation, relocation and/or redevelopment of public improvements and services as listed below.

At an election held on November 7, 2017, the voters approved general indebtedness of \$440,000,000 at a maximum interest rate of 18% for each of the following improvements and services: streets, water supply, sanitary sewer, traffic and safety controls, parks and recreation, mosquito control, television relay and translation, public transportation, security services, and fire protection/medical emergency services. The election authorized indebtedness of \$440,000,000 each for operations and maintenance, reimbursement agreements, and debt refunding. The voters also approved an annual increase in taxes of up to \$5,000,000 at a mill levy rate without limitation or with such limitations as may be determined by the board for the purpose of the District's operations, maintenance, and other expenses. The election also allows the District to retain all revenues without regard to the limitations contained in Article X, Section 20 of the Colorado constitution.

Pursuant to the Districts' Service Plan filed with the City, the maximum debt mill levy for a residential district shall be 30 mills, which can be adjusted for changes in the method of calculating assessed valuation after January 1, 2006. The adjusted maximum debt mill levy is 33.167. The maximum debt mill levy for a commercial district is 50 mills. Pursuant to the Service Plan, the Districts are permitted to issue bond indebtedness of up to \$220,000,000.

The maximum operating mill levy for the payment of operating and maintenance expenses is 10 mills, which can be adjusted for changes in the method of calculating assessed valuation after January 1, 2006.

The District has no employees and all administrative functions are contractual.

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

**PARK UNION METROPOLITAN DISTRICT NO 1
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues – (continued)

Property Taxes - (continued)

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 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 10% of the property taxes collected.

Expenditures

Intergovernmental Expenditures

Intergovernmental expenditures represent transfers to SW Downtown Business Improvement District to provide funding for the overall administrative and operating costs for the Districts.

County Treasurer's Fees

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

Debt and Leases

The District has no debt, nor any operating or capital leases.

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 SW Downtown Business Improvement District, which pays for all of the District's operations and maintenance costs, an Emergency Reserve is not reflected in the District's Budget. It is accounted for in the SW Downtown Business Improvement District.

This information is an integral part of the accompanying budget.