

LRMD Budgets 2018_

Lorson Ranch Metropolitan District No. 2			
Budget			
Year Ended 12/31/2018			
	2016	2017	2018
	Actual	Estimated	Adopted
GENERAL FUND			
BEGINNING FUND BALANCE			\$ -
REVENUES			
Property Tax - Operations	151,706	158,554	170,445
Property Tax - FMIC	151,706	77,691	-
Total Property Taxes	303,412	236,245	170,445
Specific ownership tax - Operations	34,902	35,028	18,749
Contingency Income	-	-	4,000
Total Specific Ownership Taxes	34,902	35,028	22,749
Total Revenues	338,314	271,273	193,194
EXPENDITURES			
County property tax collection fee - Operations	2,276	2,378	2,557
County property tax collection fee - FMIC	2,275	1,165	-
Total	4,551	3,543	2,557
Intergovernment Expense District # 1 - Operations	184,333	191,204	186,637
Intergovernment Expense District # 1 - FMIC	149,430	76,526	-
Contingency Expense			4,000
Total Intergovernment Expense District # 1	333,763	267,730	190,637
Total Expenditures	338,314	271,273	193,194
Excess of Revenues over Expenditures	0	-	-
ENDING FUND BALANCE			\$ -

LRMD Budgets 2018_

Lorson Ranch Metropolitan District No. 2			
Budget			
Year Ended 12/31/2018			
	2016	2017	2018
	Actual	Estimated	Adopted
DEBT SERVICE FUND			
BEGINNING FUND BALANCE	\$ -	\$ 1,078,640	\$ 763,233
REVENUES			
Property Tax - Debt Service	758,529	792,770	861,464
Specific ownership tax - Debt Service	87,256	114,951	94,761
Dividend Income - Colotrust Reserve	451	6,395	5,200
Dividend Income - Colotrust Surplus	596	6,825	6,000
Dividend Income - Colotrust Custody	-	2,991	2,000
Contingency Income	-	-	10,000
Bond Issue proceeds	16,800,235	-	-
Total Revenues	17,647,067	923,932	979,425
EXPENDITURES			
County property tax collection fee - 1.5%	11,378	11,891	12,922
Debt Servicing Fees - Zions Bank		950	1,000
Miscellaneous	17		
Contingency Expense	-	-	10,000
Transfer D1 Debt Service	14,688,410	31,288	
Intergov Exp - Trsfer to D1 General	248,157		
Intergov Exp - Trsfer to D1 Capital	1,123,528		
Bond Issue - Cost of Issuance	204,592	-	
Interest on 2016 Bond	292,345	637,844	637,844
Total Expenditures	16,568,427	681,973	661,766
Excess of Revenues over Expenditures	1,078,640	241,959	317,659
ENDING FUND BALANCE	\$ 1,078,640	\$ 1,320,599	\$ 1,080,892

Lorson Ranch Metropolitan District Nos. 1-7								
Property Taxes								
Year Ended 12/31/2018								
	Combined	District No. 1	District No. 2	District No. 3	District No. 4	District No. 5	District No. 6	District No. 7
Vacant Land Market Value	4,535,481	-	-	4,368,461	-	53,495	-	113,525
Percentage	29%	29%	29%	29%	29%	29%	29%	29%
Assessed Value	1,315,840	-	-	1,267,420	-	15,510	-	32,910
Residential Market Value	302,703,023		213,236,101	89,466,922				-
Percentage	7.96%		7.96%	7.96%				7.96%
Assessed Value	21,798,430		15,356,170	6,442,260				-
Commercial Market Value	19,801		11,723	8,078				
Percentage	29%		29%	29%				
Assessed Value	5,730		3,390	2,340				
Agricultural Market Value	38,374	122	122	9,893	16,359	2,167	7,827	1,884
Percentage	29%	29%	29%	29%	29%	29%	29%	29%
Assessed Value	3,450	40	40	2,870	4,730	640	2,280	560
Public Utility state value	2,183,861	92,000	858,276	313,000	211,724	291,103	250,689	167,069
Percentage	29%	29%	29%	29%	29%	29%	29%	29%
Assessed Value	633,320	26,680	248,900	90,770	61,400	84,420	72,700	48,450
Total Assessed Value	23,756,770	26,720	15,608,500	7,805,660	66,130	100,570	74,980	81,920
Mill Levy - General Operating & Capital		9.894	66.112	65.112	9.894	9.894	9.894	9.894
2017 Property Tax to be paid in 2018	\$ 1,543,617.37	\$ 264.37	\$ 1,031,909.00	\$ 508,242.00	\$ 654.00	\$ 995.00	\$ 742.00	\$ 811.00
Tax based on Mill Levy for 2018								
Capital - Debt	\$ 1,285,748.00	\$ -	\$ 861,464.00	\$ 424,284.00	\$ -	\$ -	\$ -	\$ -
General Operating	\$ 257,869.00	\$ 264.00	\$ 170,445.00	\$ 83,958.00	\$ 654.00	\$ 995.00	\$ 742.00	\$ 811.00
Total	\$ 1,543,617.00	\$ 264.00	\$ 1,031,909.00	\$ 508,242.00	\$ 654.00	\$ 995.00	\$ 742.00	\$ 811.00
Mill Levy Charged for 2018 - Gallagherized								
Capital - Debt			55.192	54.356		0		
General Operating		9.894	10.92	10.756	9.894	9.894	9.894	9.894
Repay FMIC 2017 tax								
Total		9.894	66.112	65.112	9.894	9.894	9.894	9.894

**Lorson Ranch Metropolitan District 2
El Paso County, CO
2018 Budget Narrative**

GENERAL FUND

REVENUES

1. Property Taxes are based on the assessed value of property within the District as established by El Paso County. Mill levies are budgeted for Operations and Maintenance at 10.92 mills. The mill levy was adjusted due to a change in the method of calculating the residential assessed valuation from 7.96% to 7.20%.
2. Specific ownership taxes are budgeted at 11% of property taxes collected. These taxes are set by the state and collected by the county treasurer primarily on vehicle licensing within the county as a whole. They are allocated by the county treasurer to all taxing entities within the county.
3. Contingency income is budgeted for possible additional specific ownership taxes.

EXPENDITURES

1. County property tax collection fee is based on 1.5% of the property tax received.
2. Net tax revenues are paid as Intergovernmental Expenses to the appropriate Funds in Lorson Ranch Metropolitan District # 1.
3. Contingency expense is budgeted for possible additional intergovernmental expenses.

DEBT SERVICE FUND

REVENUES

1. Property Taxes are budgeted for Debt Service based on 55.192 mills, plus specific ownership tax budgeted at 11% of property tax revenue.
2. Dividend income is budgeted based on the net earnings from the bond reserves.
3. Contingency income is budgeted for possible additional specific ownership taxes.

EXPENDITURES

1. County property tax collection fee is based on 1.5% of the property tax received.
2. A debt service fee is budgeted for the bond service agent.
3. Contingency expense is budgeted for possible additional intergovernmental expenses.
4. The District has budgeted for the interest expense that is due on the bond that was issued in 2016.

Lorson Ranch Metropolitan District 2
El Paso County, CO
2018 Budget Narrative

ADDITIONAL INFORMATION

1. The basis of accounting for the District is the Modified Accrual Basis, in accordance with requirements of Colorado Revised Statutes C.R.S. 29-1-105.
2. The Schedule of Debt Service to Maturity is included in the budget.
3. There are no operating or capital lease obligations of the District.
4. The District is authorized to issue General Obligation Debt in an amount not to exceed \$80,000,000. The limit for all Lorson Districts is \$300,000,000. A mill levy cap of 55.192 mills applies to the District in connection with the General Obligation Debt, as adjusted based on the Gallagher provisions of the law.

RESERVES

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year revenues. Since substantially all funds received by the District are transferred to Lorson Ranch Metropolitan District #1, which pays for all of the Districts' operations and maintenance costs, an emergency reserve is not reflected in the District's Budget.

**LORSON RANCH METROPOLITAN DISTRICT NO. 2
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

\$15,790,000 General Obligation Limited Tax Bonds

Series 2016

Dated: June 16, 2016

Interest Rate: 3.00% - 5.00%

Principal Due December 1

Year Ended December 31,	Interest Payable June 1 and December 1		
	Principal	Interest	Total
2018	\$ -	\$ 637,844	\$ 637,844
2019	-	637,844	637,844
2020	-	637,844	637,844
2021	100,000	637,844	737,844
2022	100,000	634,844	734,844
2023	75,000	631,844	706,844
2024	165,000	628,844	793,844
2025	175,000	622,244	797,244
2026	205,000	615,244	820,244
2027	205,000	607,044	812,044
2028	240,000	596,794	836,794
2029	250,000	584,794	834,794
2030	290,000	572,294	862,294
2031	300,000	557,794	857,794
2032	340,000	542,794	882,794
2033	365,000	525,794	890,794
2034	410,000	507,544	917,544
2035	430,000	487,044	917,044
2036	480,000	465,544	945,544
2037	500,000	441,544	941,544
2038	560,000	416,544	976,544
2039	580,000	388,544	968,544
2040	640,000	359,544	999,544
2041	675,000	327,544	1,002,544
2042	735,000	293,794	1,028,794
2043	765,000	268,988	1,033,988
2044	815,000	243,169	1,058,169
2045	850,000	215,663	1,065,663
2046	905,000	186,975	1,091,975
2047	935,000	156,431	1,091,431
2048	1,000,000	124,875	1,124,875
2049	1,030,000	91,125	1,121,125
2050	1,670,000	56,363	1,726,363
	<u>\$ 15,790,000</u>	<u>\$ 14,702,939</u>	<u>\$ 30,492,939</u>