

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

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

12/6/22

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	-	4,938	29,626
Specific ownership tax	-	496	2,963
Other revenue	-	1,000	4,000
Total revenues	<u>-</u>	<u>6,434</u>	<u>36,589</u>
Total funds available	<u>-</u>	<u>6,434</u>	<u>36,589</u>
EXPENDITURES			
General Fund	-	6,434	7,432
Debt Service Fund	-	-	29,157
Total expenditures	<u>-</u>	<u>6,434</u>	<u>36,589</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>6,434</u>	<u>36,589</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance is provided. See summary of significant assumptions.

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

12/6/22

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
ASSESSED VALUATION			
Vacant land	\$ -	\$ 493,760	\$ 493,760
Certified Assessed Value	-	493,760	493,760
MILL LEVY			
General	0.000	10.000	10.000
Debt Service	0.000	0.000	50.000
Total mill levy	0.000	10.000	60.000
PROPERTY TAXES			
General	-	4,938	4,938
Debt Service	-	-	24,688
Levied property taxes	-	4,938	29,626
Budgeted property taxes	\$ -	\$ 4,938	\$ 29,626
BUDGETED PROPERTY TAXES			
General	\$ -	\$ 4,938	\$ 4,938
Debt Service	-	-	24,688
	\$ -	\$ 4,938	\$ 29,626

No assurance is provided. See summary of significant assumptions.

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

12/6/22

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	-	4,938	4,938
Specific ownership tax	-	496	494
Other revenue	-	1,000	2,000
Total revenues	<u>-</u>	<u>6,434</u>	<u>7,432</u>
Total funds available	<u>-</u>	<u>6,434</u>	<u>7,432</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	-	74	74
Contingency	-	1,000	2,000
Intergovernmental expenditures	-	5,360	5,358
Total expenditures	<u>-</u>	<u>6,434</u>	<u>7,432</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>6,434</u>	<u>7,432</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance is provided. See summary of significant assumptions.

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

12/6/22

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	-	-	24,688
Specific ownership tax	-	-	2,469
Other revenue	-	-	2,000
Total revenues	<u>-</u>	<u>-</u>	<u>29,157</u>
Total funds available	<u>-</u>	<u>-</u>	<u>29,157</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	-	-	370
Intergovernmental expenditures	-	-	26,787
Contingency	-	-	2,000
Total expenditures	<u>-</u>	<u>-</u>	<u>29,157</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>-</u>	<u>29,157</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance is provided. See summary of significant assumptions.

Crossroads Metropolitan District No. 2
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

The Crossroads Metropolitan District No. 2 (“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 the City of Colorado Springs, El Paso County, Colorado on January 4, 2021, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes).

The District was organized to provide for the planning, design, acquisition, construction, installation, relocation, and redevelopment of public improvements. The District serves as the Financing District for Crossroads Metropolitan District No. 1 which will pay all vendors of and receive reimbursement/contributions from the District, which will levy ad valorem taxes on taxable properties within the District and assess fees, rates and other charges as authorized by law. The District's service area is located entirely within the City of Colorado Springs, El Paso County, Colorado.

Pursuant to the District’s Operating Plan filed with the City, the maximum debt mill levy is 50 mills, and the maximum operating mill levy for the payment of administrative, operations and maintenance expense is 10 mills.

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 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 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.

**Crossroads Metropolitan District No. 2
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (Continued)

Property Taxes (Continued)

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 10% of the property taxes collected.

Expenditures

County Treasurer's Fees

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

Intergovernmental Expense – Crossroads Metropolitan District No. 1

Property taxes generated from the 10.000 mills levied by the District for operations and maintenance, net of fees, are expected to be transferred to the Crossroads Metropolitan District No. 1, which pays all administrative expenditures of the District. Property taxes generated from the 50.000 mills levied by the District for Debt Service, net of fees, are expected to be transferred to the Crossroads Metropolitan District No. 1, which holds the bonds.

Reserves

Emergency Reserves

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 subject to TABOR are transferred to District No. 1, which pays for all District's operations and maintenance costs, an Emergency Reserve is not reflected in the District's 2023 Budget. The Emergency Reserve for these revenues is reflected in District No. 1.

This information is an integral part of the accompanying budget.