

IRON MOUNTAIN METROPOLITAN DISTRICT NO. 2
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2024

IRON MOUNTAIN METROPOLITAN DISTRICT NO. 2
SUMMARY
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,

1/28/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 2,700,041	\$ 1,068,818	\$ 855,493
REVENUES			
Property taxes	350,532	364,760	490,389
Specific ownership taxes	20,722	14,940	19,616
Interest income	727	20,335	20,000
Other revenue	-	-	2,016
Transfer from Iron Mountain No 3	114,474	111,598	153,213
Total revenues	<u>486,455</u>	<u>511,633</u>	<u>685,234</u>
Total funds available	<u>3,186,496</u>	<u>1,580,451</u>	<u>1,540,727</u>
EXPENDITURES			
General Fund	49,170	48,958	51,300
Debt Service Fund	378,467	556,000	639,000
Capital Projects Fund	1,690,041	120,000	36,393
Total expenditures	<u>2,117,678</u>	<u>724,958</u>	<u>726,693</u>
Total expenditures and transfers out requiring appropriation	<u>2,117,678</u>	<u>724,958</u>	<u>726,693</u>
ENDING FUND BALANCES	<u>\$ 1,068,818</u>	<u>\$ 855,493</u>	<u>\$ 814,034</u>
DEBT SERVICE RESERVE	533,750	533,750	533,750
CAPITALIZED INTEREST	59,545	-	-
SURPLUS FUND	280,000	280,000	280,000
RESERVE FOR FUTRE DEBT SERVICE	39,130	5,350	284
TOTAL RESERVE	<u>\$ 912,425</u>	<u>\$ 819,100</u>	<u>\$ 814,034</u>

IRON MOUNTAIN METROPOLITAN DISTRICT NO. 2
PROPERTY TAX SUMMARY INFORMATION
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,

1/28/24

ACTUAL	ESTIMATED	BUDGET
2022	2023	2024

ASSESSED VALUATION

Commercial	\$ 7,393,790	\$ 6,110,520	\$ 7,765,810
Industrial	2,182,340	3,890,590	5,457,010
State assessed	10	390	80
Vacant land	414,610	401,340	141,090
Personal property	11,470	17,600	8,490
Oil and gas	1,270	1,270	14,070
Certified Assessed Value	\$ 10,003,490	\$ 10,421,710	\$ 13,386,550

MILL LEVY

General	4.567	4.488	3.540
Debt Service	30.433	30.512	33.093
Total mill levy	35.000	35.000	36.633

PROPERTY TAXES

General	\$ 45,686	\$ 46,773	\$ 47,388
Debt Service	304,436	317,987	443,001
Levied property taxes	350,122	364,760	490,389
Adjustments to actual/rounding	410	-	-
Budgeted property taxes	\$ 350,532	\$ 364,760	\$ 490,389

BUDGETED PROPERTY TAXES

General	\$ 45,739	\$ 46,773	\$ 47,388
Debt Service	304,793	317,987	443,001
Budgeted property taxes	\$ 350,532	\$ 364,760	\$ 490,389

**IRON MOUNTAIN METROPOLITAN DISTRICT NO. 2
GENERAL FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/28/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	45,739	46,773	47,388
Specific ownership taxes	2,704	1,940	1,896
Interest income	727	245	-
Other revenue	-	-	2,016
Total revenues	49,170	48,958	51,300
Total funds available	49,170	48,958	51,300
EXPENDITURES			
General and administrative			
County Treasurer's fee	696	702	711
Contingency	-	-	2,016
Transfer to Iron Mountain No 1	48,474	48,256	48,573
Total expenditures	49,170	48,958	51,300
Total expenditures and transfers out requiring appropriation	49,170	48,958	51,300
ENDING FUND BALANCES	\$ -	\$ -	\$ -

IRON MOUNTAIN METROPOLITAN DISTRICT NO. 2
DEBT SERVICE FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,

1/28/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 853,607	\$ 912,425	\$ 819,100
REVENUES			
Property taxes	304,793	317,987	443,001
Specific ownership taxes	18,018	13,000	17,720
Interest income	-	20,090	20,000
Transfer from Iron Mountain No 3	114,474	111,598	153,213
Total revenues	<u>437,285</u>	<u>462,675</u>	<u>633,934</u>
TRANSFERS IN			
Total funds available	<u>1,290,892</u>	<u>1,375,100</u>	<u>1,453,034</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	4,637	4,770	6,645
Miscellaneous	10	480	4,605
Paying agent fees	14,686	7,500	7,500
Unrealized investment losses	11,884	-	-
Debt Service			
Bond interest - Series 2019A Senior Bonds	347,250	347,250	347,250
Bond interest - Series 2019B Subordinate Bonds	-	196,000	228,000
Bond principal - Series 2019A Senior Bonds	-	-	45,000
Total expenditures	<u>378,467</u>	<u>556,000</u>	<u>639,000</u>
Total expenditures and transfers out requiring appropriation	<u>378,467</u>	<u>556,000</u>	<u>639,000</u>
ENDING FUND BALANCES	<u>\$ 912,425</u>	<u>\$ 819,100</u>	<u>\$ 814,034</u>
DEBT SERVICE RESERVE	\$ 533,750	\$ 533,750	\$ 533,750
CAPITALIZED INTEREST	59,545	-	-
SURPLUS FUND	280,000	280,000	280,000
RESERVE FOR FUTRE DEBT SERVICE	39,130	5,350	284
TOTAL RESERVE	<u>\$ 912,425</u>	<u>\$ 819,100</u>	<u>\$ 814,034</u>

No assurance provided. See summary of significant assumptions.

**IRON MOUNTAIN METROPOLITAN DISTRICT NO. 2
CAPITAL PROJECTS FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

1/28/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 1,846,434	\$ 156,393	\$ 36,393
REVENUES			
Total revenues	-	-	-
Total funds available	1,846,434	156,393	36,393
EXPENDITURES			
Transfer to Iron Mountain No 1	1,676,701	120,000	36,393
Unrealized investment losses	13,340	-	-
Total expenditures	1,690,041	120,000	36,393
Total expenditures and transfers out requiring appropriation	1,690,041	120,000	36,393
ENDING FUND BALANCES	\$ 156,393	\$ 36,393	\$ -

**IRON MOUNTAIN METROPOLITAN DISTRICT NO. 2
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Iron Mountain Metropolitan District No. 2's (the District) organization was approved by eligible electors of the District at an election held on Tuesday, November 7, 2006. The District was organized by order of the District Court in and for Weld County on December 15, 2006. The formation of the District was approved by the Town of Windsor, Colorado in conjunction with the approval by the Town Board of a Consolidated Service Plan for the District, Iron Mountain Metropolitan District No. 1 and Iron Mountain Metropolitan District No. 3 on September 24, 2006. The District exists as a quasi-municipal corporation and political subdivision of the State of Colorado under Title 32, Article 1 of the Colorado Revised Statutes, as amended (C.R.S).

At a special election of the eligible electors of the District on November 7, 2006, a majority of those qualified to vote voted in favor of certain ballot questions authorizing the issuance of indebtedness and imposition of taxes for the payment thereof, for the purpose of providing certain improvements and facilities such as streets, parks and recreation, water, sanitation, transportation, mosquito control, traffic and safety, fire protection, TV relay and security, and for the purpose of refunding such indebtedness.

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 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 page 3 of the budget document at the adopted total mill levy of 36.633 mills.

**IRON MOUNTAIN METROPOLITAN DISTRICT NO. 2
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (continued)

Property Taxes

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%			

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 4% of the property taxes collected.

Transfer from Iron Mountain Metropolitan District No. 3

Pursuant to the Senior Capital Pledge Agreement dated December 1, 2019, Iron Mountain Metropolitan District No. 3 agreed to impose ad valorem property taxes and transfer such tax revenues, net of fees, to the District to provide for the payment of the bonds issued by the District in December 2019 (see Debt and Leases).

Expenditures

County Treasurer's Fees

County Treasurer's collection fees have been computed at 1.5% of property taxes.

**IRON MOUNTAIN METROPOLITAN DISTRICT NO. 2
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures (continued)

Transfer to Iron Mountain Metropolitan District No. 1

Pursuant to an Operations IGA, Iron Mountain Metropolitan District Nos. 1-3 (Districts) have agreed that Iron Mountain Metropolitan District No. 1 (Operating District) will provide certain operation, maintenance and administrative services benefiting the Districts, and that the District and Iron Mountain Metropolitan District No. 3 will pay all costs related thereto through the imposition of ad valorem property taxes and transferring the net tax revenues to the Operating District.

Debt Service

Principal and interest payments are provided based on the attached debt amortization schedule from the Limited Tax General Obligation Refunding and Improvement Bonds, Series 2019.

Capital Expenditures

Capital expenditures are reflected on page 6 of the budget document.

Debt and Leases

On December 20, 2019, the District issued \$6,945,000 in Limited Tax General Obligation Refunding and Improvement Bonds, Series 2019A ("Senior Bonds") to fund (a) the Refunding Project, (b) a portion of the interest to accrue on the Series 2019A Senior Bonds, (c) the Reserve Fund, (d) the costs of issuing the Bonds, and (e) a portion of the costs of acquiring, constructing, and/or installing additional public infrastructure within the District. The Senior Bonds are limited tax general obligations of the District secured by and payable from the Senior Pledged Revenue consisting of the following revenues, net of any costs of collection: (a) all Senior Property Tax Revenues; (b) all Senior Specific Ownership Tax Revenues; and (c) any other legally available moneys. \$2,635,000 of the Bonds are due December 1, 2039 and \$4,310,000 of the Bonds are due December 1, 2049, with an interest rate of 5% paid semiannually on June 1 and December 1. The Senior Bonds are subject to redemption prior to maturity, at the option of the District, as a whole or integral multiples of \$1,000, in any order of maturity, and in whole or partial maturities, on December 1, 2024, and on any date thereafter, upon payment of par, accrued interest, and redemption premium equal to a percentage of the principal amount. The Senior Bonds maturing on December 1, 2039 are subject to mandatory sinking fund redemption, in part, by lot, on December 1, 2024, and on each December 1 thereafter prior to the maturity date, upon payment of par and accrued interest, without redemption premium. The Senior Bonds maturing on December 1, 2049 are subject to mandatory sinking fund redemption, in part, by lot, on December 1, 2040, and on each December 1 thereafter prior to the maturity date, upon payment of par and accrued interest, without redemption premium.

**IRON MOUNTAIN METROPOLITAN DISTRICT NO. 2
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases (continued)

On December 20, 2019, the District issued \$1,000,000 in Subordinate Limited Tax General Obligation Bonds, Series 2019B ("Subordinate Bonds") to fund a portion of acquiring, constructing, and/or installing additional public infrastructure within the District. The Series 2019B Subordinate Bonds are "cash flow" limited tax general obligations of the District secured by and payable from the Subordinate Pledged Revenue, consisting of the following revenues, net of any costs of collection: (a) all Subordinate Property Tax Revenues; (b) all Subordinate Specific Ownership Tax Revenues; and (c) any other legally available moneys. No regularly scheduled payments of principal are due on the Subordinate Bonds prior to their maturity date, and any interest payments on the Subordinate Bonds that are not paid when due will accrue and compound on each Interest Payment Date until sufficient Subordinate Pledged Revenue is available for payment.

The District has no capital or operating leases.

Reserves

Emergency Reserves

The District has not provided for an Emergency Reserve equal to at least 3% of fiscal year spending for 2024, as defined under TABOR, because net tax revenue is transferred to Iron Mountain Metropolitan District No. 1, the Operating District, which provides for the required reserve amount.

This information is an integral part of the accompanying budget.

IRON MOUNTAIN METROPOLITAN DISTRICT NO. 2
SCHEDULE OF ESTIMATED DEBT SERVICE REQUIREMENTS TO MATURITY

\$6,945,000

Limited Tax General Obligation Refunding and Improvement Bonds, Series 2019A

Dated December 20, 2019

Principal Due December 1

5.00% Interest Payable June 1 and December 1

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	45,000	347,250	392,250
2025	50,000	345,000	395,000
2026	115,000	342,500	457,500
2027	120,000	336,750	456,750
2028	130,000	330,750	460,750
2029	135,000	324,250	459,250
2030	150,000	317,500	467,500
2031	160,000	310,000	470,000
2032	170,000	302,000	472,000
2033	180,000	293,500	473,500
2034	195,000	284,500	479,500
2035	205,000	274,750	479,750
2036	225,000	264,500	489,500
2037	235,000	253,250	488,250
2038	255,000	241,500	496,500
2039	265,000	228,750	493,750
2040	285,000	215,500	500,500
2041	300,000	201,250	501,250
2042	325,000	186,250	511,250
2043	340,000	170,000	510,000
2044	365,000	153,000	518,000
2045	380,000	134,750	514,750
2046	410,000	115,750	525,750
2047	430,000	95,250	525,250
2048	460,000	73,750	533,750
2049	1,015,000	50,750	1,065,750
	<u>\$ 6,945,000</u>	<u>\$ 6,193,000</u>	<u>\$ 13,138,000</u>

No assurance provided. See summary of significant assumptions.