

GREAT WESTERN PARK METROPOLITAN DISTRICT NO. 2

2011 Budget Message

Introduction

The budget reflects the projected spending plan for the 2011 fiscal year based on available revenues. This budget provides for the general operation of the District and facilitation of capital project expenditures.

The primary sources of revenue include property taxes and transfers from other local governments.

The District's 2010 assessed value is \$4,860. The District certified a 2010 General Fund mill levy of 40.232 mills, for collection in 2011.

The District formed in December 2008 for the purpose of providing design, financing, acquisition, and construction of certain infrastructure improvements.

Budgetary Basis of Accounting

The District uses funds to budget and report on the financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions. The various funds determine the total District budget. All of the District's funds are considered Governmental Funds and are reported using the current financial resources and the modified accrual basis of accounting. Revenues are recognized when they are measurable and available. Revenues are considered available when they are collectible within the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures, other than the interest on long term obligations, are recorded when the liability is incurred or the long-term obligation paid.

Fund Summaries

General Fund is used to account for resources traditionally associated with government such as property taxes, specific ownership tax and expenditures which include District administration, legal services, and other expenses related to statutory operations of a local government. The General Fund's primary sources of revenue are transfers from another local government, property taxes and specific ownership taxes.

Emergency Reserve

As required under Article X, Section 20 of the Colorado Constitution, the District has provided for an Emergency Reserve in the amount of 3% of the total fiscal year expenditures in the General Fund.

Great Western Park Metropolitan District No. 2
Assessed Value, Property Tax and Mill Levy Information

	2009 Actual	2010 Adopted Budget	2011 Adopted Budget
Assessed Valuation	\$ -	\$ 4,670	\$ 4,860
Mill Levy			
General Fund	0.000	40.232	40.232
Debt Service Fund	0.000	0.000	0.000
Temporary Mill Levy Reduction	0.000	0.000	0.000
Refunds and Abatements	0.000	0.000	0.000
Total Mill Levy	<u>0.000</u>	<u>40.232</u>	<u>40.232</u>
Property Taxes			
General Fund	\$ -	\$ 188	\$ 196
Debt Service Fund	-	-	-
Temporary Mill Levy Reduction	-	-	-
Refunds and Abatements	-	-	-
Actual/Budgeted Property Taxes	<u>\$ -</u>	<u>\$ 188</u>	<u>\$ 196</u>

GWP No. 1 and GWP No. 2 have entered into a Capital Pledge Agreement to support GWP No. 1's \$9,620,000 Nonrevolving Line of Credit Note, Series 2010. The GWP No. 1 Series 2010 Note was issued to Great Western Park, LLC to evidence the District's obligation to reimburse for expenses incurred by GWP LLC for the installation of public improvements. The GWP No. 1 Series 2010 Note is supported by GWP No. 2's pledge of a debt service mill levy imposed annually in the amount of 35 mills, adjusted for legislative changes, but in no event greater than 50 mills. GWP No. 2's obligation to impose a mill levy for repayment of the GWP No. 1 Series 2010 Note commences with certification in 2011 for collection in 2012.

The GWP No. 2 Service Plan limits GWP No. 2's debt service mill levy to 35.000 mills adjusted for Gallagher from January 1, 2001.

Great Western Park Metropolitan District No. 2

**GENERAL FUND
2011 ADOPTED BUDGET
with 2009 Actual, 2010 Adopted Budget and 2010 Estimated Budget**

	2009 Actual	2010 Adopted Budget	2010 Estimated Budget	2011 Adopted Budget
BEGINNING FUND BALANCE	-	182	129	300
REVENUE				
Property Tax Revenue	-	188	189	196
Specific Ownership Taxes	-	11	-	-
Development Fees	-	-	-	-
Transfer From Dist. No. 1	-	10,025	7,548	10,000
Developer Advance	4,421	-	-	-
Interest Income	-	-	-	-
Miscellaneous Income	-	-	-	-
Total Revenue	4,421	10,224	7,737	10,196
Total Funds Available	4,421	10,406	7,866	10,496
EXPENDITURES				
Accounting	171	500	-	500
Audit	-	500	-	500
Election Expense	-	1,000	431	1,000
Insurance/SDA Dues	100	2,000	200	2,000
Legal	-	2,000	2,000	2,000
Statutory Compliance	85	1,500	232	1,500
Management Fees	3,776	2,000	4,500	2,000
Miscellaneous	161	600	200	600
Treasurer's Fees	-	3	3	3
Contingency	-	-	-	78
Transfer to Dist. No. 1	-	-	-	-
Transfer to Capital Projects	-	-	-	-
Total Expenditures	4,292	10,103	7,566	10,181
Emergency Reserve	-	303	-	315
Total Expenditures Requiring Appropriation	4,292	10,406	7,566	10,496
ENDING FUND BALANCE	\$ 129	\$ -	\$ 300	\$ -

Great Western Park Metropolitan District No. 2

**CAPITAL PROJECTS FUND
2011 ADOPTED BUDGET**

with 2009 Actual, 2010 Adopted Budget and 2010 Estimated Budget

	2009 Actual	2010 Adopted Budget	2010 Estimated Budget	2011 Adopted Budget
BEGINNING FUND BALANCE	-	-	-	-
REVENUE				
Transfer from District No. 1	-	6,000	-	-
Subordinate Fill-up Bond	-	-	-	-
Developer Advances	-	-	-	-
Interest Income	-	-	-	-
Total Revenue	-	6,000	-	-
Total Funds Available	-	6,000	-	-
EXPENDITURES				
Bond Issuance Costs	-	-	-	-
Legal	-	3,000	-	-
Construction	-	-	-	-
Project Management	-	3,000	-	-
Total Expenditures	-	6,000	-	-
Total Expenditures Requiring Appropriation	-	6,000	-	-
ENDING FUND BALANCE	\$ -	\$ -	\$ -	\$ -