

GREAT WESTERN PARK METROPOLITAN DISTRICT NO. 2

2016 Budget Message

Introduction

The 2016 budget was prepared in accordance with the Local Government Budget Law of Colorado. The budget reflects the projected spending plan for the 2016 fiscal year based on available revenues. This budget provides for the general operation of the District and facilitation of capital project expenditures.

The District's 2015 assessed value increased to \$2,968,340. The District certified a 2015 General Fund mill levy of 40.232 mills, for collection in 2016 with 5.000 mills dedicated to the General Fund and 35.232 mills to the Debt Service Fund.

The District was 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

The 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 primary expenditure in 2016 is from transfers to District No. 1.

The Debt Service Fund is used to account for resources which are transferred to District No. 1's Debt Service fund for repayment of long term debt.

The Capital Projects Fund is used to account for revenues and expenditures to complete capital projects such as new improvements and upgrades to existing infrastructure. The primary source of revenue comes from a developer advance.

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 revenues in the General Fund.

GREAT WESTERN PARK METROPOLITAN DISTRICT NO. 2
Assessed Value, Property Tax and Mill Levy Information

	2014 Actual	2015 Adopted Budget	2016 Adopted Budget
Assessed Valuation	\$ 5,150	\$ 1,074,500	\$ 2,968,340
Mill Levy			
General Fund	5.000	5.000	5.000
Debt Service Fund	35.232	35.232	35.232
Temporary Mill Levy Reduction	-	-	-
Refunds and Abatements	-	-	-
Total Mill Levy	<u>40.232</u>	<u>40.232</u>	<u>40.232</u>
Property Taxes			
General Fund	\$ 26	\$ 5,373	\$ 14,842
Debt Service Fund	181	37,857	104,581
Temporary Mill Levy Reduction	-	-	-
Refunds and Abatements	-	-	-
Actual/Budgeted Property Taxes	<u>\$ 207</u>	<u>\$ 43,230</u>	<u>\$ 119,423</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
2016 Adopted Budget
with 2014 Actual, 2015 Budget, and 2015 Estimated Budget**

	2014 Actual	2015 Adopted Budget	2015 Estimated Budget	2016 Adopted Budget
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BEGINNING FUND BALANCE	\$	-	\$	-	\$	-	\$	170
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REVENUE

Property Tax Revenue	25	5,373	5,372	14,842
Specific Ownership Taxes	1	200	309	310
Interest Income	-	-	2	-

Total Revenue	26	5,573	5,683	15,152
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Total Funds Available	26	5,573	5,683	15,322
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EXPENDITURES

Treasurer's Fees	0	81	81	223
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Total Expenditures	0	81	81	223
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Transfers and Other Uses

Transfer to Dist. No. 1	26	5,330	5,432	14,645
Emergency Reserve	-	162	-	454

Total Expenditures Requiring Appropriation	26	5,573	5,513	15,322
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ENDING FUND BALANCE	\$	-	\$	-	\$	170	\$	-
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GREAT WESTERN PARK METROPOLITAN DISTRICT NO. 2

DEBT SERVICE FUND

2016 Adopted Budget

with 2014 Actual, 2015 Adopted Budget, 2015 Amended Budget and 2015 Estimated Budget

	2014 Actual	2015 Adopted Budget	2015 Amended Budget	2015 Estimated Budget	2016 Adopted Budget
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BEGINNING FUND BALANCE \$ - \$ - \$ - \$ - \$ -

REVENUE

Property Tax Revenue	180	37,857	37,856	37,856	104,581
Specific Ownership Taxes	4	1,200	2,180	2,180	2,180
Interest Income	-	-	14	14	-

Total Revenue 184 39,057 40,050 40,050 106,761

Total Funds Available 184 39,057 40,050 40,050 106,761

EXPENDITURES

Treasurer's Fees	3	568	568	568	1,569
Transfer to Dist. No. 1	181	38,489	39,482	39,482	105,192

Total Expenditures 184 39,057 40,050 40,050 106,761

Total Expenditures Requiring Appropriation	184	39,057	40,050	40,050	106,761
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ENDING FUND BALANCE \$ - \$ - \$ - \$ - \$ -

GREAT WESTERN PARK METROPOLITAN DISTRICT NO. 2

CAPITAL PROJECTS FUND

2016 Adopted Budget

with 2014 Actual, 2015 Adopted Budget, and 2015 Estimated Budget

	2014 Actual	2015 Adopted Budget	2015 Estimated Budget	2016 Adopted Budget
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -	\$ -
REVENUE				
Developer Advance	-	6,000,000	-	6,000,000
Total Revenue	-	6,000,000	-	6,000,000
Total Funds Available	-	6,000,000	-	6,000,000
EXPENDITURES				
Capital Outlay	-	6,000,000	-	6,000,000
Total Expenditures	-	6,000,000	-	6,000,000
Total Expenditures Requiring Appropriation	-	6,000,000	-	6,000,000
ENDING FUND BALANCE	\$ -	\$ -	\$ -	\$ -