

BLACKSTONE METROPOLITAN DISTRICT
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2023

**BLACKSTONE METROPOLITAN DISTRICT
SUMMARY
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/5/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ 3,947,211	\$ 4,527,255	\$ 5,169,384
REVENUES			
Property taxes	2,838,836	2,893,205	2,658,165
Specific ownership taxes	195,691	183,824	159,490
Interest income	3,236	49,010	68,055
Operations fee (homeowners)	631,106	550,000	600,000
Operations fee (vacant lots)	8,198	6,500	4,500
Working capital	39,835	35,000	50,000
Design review fees	430	3,500	4,000
Legal collection fees	2,370	18,000	20,000
Violations and late fees	7,068	12,000	15,000
Other revenue	6,802	9,993	10,000
Total revenues	<u>3,733,572</u>	<u>3,761,032</u>	<u>3,589,210</u>
TRANSFERS IN	<u>850,229</u>	<u>490,072</u>	<u>2,265,545</u>
Total funds available	<u>8,531,012</u>	<u>8,778,359</u>	<u>11,024,139</u>
EXPENDITURES			
General Fund	161,943	194,303	264,000
Debt Service Fund	1,769,439	1,546,432	1,562,000
Capital Projects Fund	400,229	294,500	1,815,000
Operations Fee Fund	774,125	1,031,325	1,159,000
Capital Projects Fund - Regional Improvement Fund	47,792	51,843	52,713
Total expenditures	<u>3,153,528</u>	<u>3,118,403</u>	<u>4,852,713</u>
TRANSFERS OUT	<u>850,229</u>	<u>490,572</u>	<u>2,265,545</u>
Total expenditures and transfers out requiring appropriation	<u>4,003,757</u>	<u>3,608,975</u>	<u>7,118,258</u>
ENDING FUND BALANCES	<u>\$ 4,527,255</u>	<u>\$ 5,169,384</u>	<u>\$ 3,905,881</u>
EMERGENCY RESERVE	\$ 62,500	\$ 61,600	\$ 60,900
AVAILABLE FOR OPERATIONS	2,226,357	2,956,138	1,750,810
SERIES 2017 SURPLUS FUND	1,042,125	1,042,125	1,042,125
CAPITAL PROJECTS RESERVE	450,000	450,000	450,000
TOTAL RESERVE	<u>\$ 3,780,982</u>	<u>\$ 4,509,863</u>	<u>\$ 3,303,835</u>

**BLACKSTONE METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/5/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
ASSESSED VALUATION			
Residential	\$ 37,701,453	\$ 42,632,450	\$ 42,869,846
Commercial	1,583,057	1,378,952	1,378,952
State assessed	2,250	3,720	8,930
Personal	821,497	900,597	1,208,868
Vacant land	2,839,541	1,663,976	1,059,326
Certified Assessed Value	<u>\$ 42,947,798</u>	<u>\$ 46,579,695</u>	<u>\$ 46,525,922</u>
MILL LEVY			
General	30.000	28.000	26.000
Debt Service	35.000	33.000	30.000
Capital Projects - Regional Improvement	1.113	1.113	1.133
Total mill levy	<u>66.113</u>	<u>62.113</u>	<u>57.133</u>
PROPERTY TAXES			
General	\$ 1,288,434	\$ 1,304,231	\$ 1,209,674
Debt Service	1,503,173	1,537,130	1,395,778
Capital Projects - Regional Improvement	47,801	51,843	52,713
Levied property taxes	<u>2,839,408</u>	<u>2,893,205</u>	<u>2,658,165</u>
Adjustments to actual/rounding	(572)	-	-
Budgeted property taxes	<u>\$ 2,838,836</u>	<u>\$ 2,893,205</u>	<u>\$ 2,658,165</u>
BUDGETED PROPERTY TAXES			
General	<u>\$ 1,288,173</u>	<u>\$ 1,304,232</u>	<u>\$ 1,209,674</u>
Debt Service	<u>1,502,871</u>	<u>1,537,130</u>	<u>1,395,778</u>
Capital Projects - Regional Improvement	<u>47,792</u>	<u>51,843</u>	<u>52,713</u>
	<u>\$ 2,838,836</u>	<u>\$ 2,893,205</u>	<u>\$ 2,658,165</u>

**BLACKSTONE METROPOLITAN DISTRICT
GENERAL FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/5/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 1,890,549	\$ 2,268,157	\$ 2,998,638
REVENUES			
Property taxes	1,288,173	1,304,232	1,209,674
Specific ownership taxes	93,274	86,124	75,743
Interest income	1,531	25,000	36,000
Other revenue	6,802	-	-
Total revenues	<u>1,389,780</u>	<u>1,415,356</u>	<u>1,321,417</u>
Total funds available	<u>3,280,329</u>	<u>3,683,513</u>	<u>4,320,055</u>
EXPENDITURES			
General and administrative			
Accounting	42,558	45,000	55,000
Audit	5,000	5,100	5,500
County Treasurer's fee	19,340	19,563	18,145
Directors' fees	1,700	600	5,000
Director and meeting expense	-	-	2,000
Election expense	-	27,651	40,000
Insurance	32,931	33,843	40,000
Legal	56,792	60,000	70,000
Miscellaneous	3,327	1,000	2,000
Payroll taxes	145	46	383
Website	150	1,500	1,500
Contingency	-	-	24,472
Total expenditures	<u>161,943</u>	<u>194,303</u>	<u>264,000</u>
TRANSFERS OUT			
Transfers to other fund	<u>850,229</u>	<u>490,572</u>	<u>2,265,545</u>
Total expenditures and transfers out requiring appropriation	<u>1,012,172</u>	<u>684,875</u>	<u>2,529,545</u>
ENDING FUND BALANCE	<u>\$ 2,268,157</u>	<u>\$ 2,998,638</u>	<u>\$ 1,790,510</u>
EMERGENCY RESERVE	\$ 41,800	\$ 42,500	\$ 39,700
AVAILABLE FOR OPERATIONS	2,226,357	2,956,138	1,750,810
TOTAL RESERVE	<u>\$ 2,268,157</u>	<u>\$ 2,998,638</u>	<u>\$ 1,790,510</u>

**BLACKSTONE METROPOLITAN DISTRICT
OPERATIONS FEE FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/5/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 300,936	\$ 215,850	\$ 19,100
REVENUES			
Interest income	32	10	305
Operations fee (homeowners)	631,106	550,000	600,000
Operations fee (vacant lots)	8,198	6,500	4,500
Working capital	39,835	35,000	50,000
Design review fees	430	3,500	4,000
Legal collection fees	2,370	18,000	20,000
Violations and late fees	7,068	12,000	15,000
Other revenue	-	9,993	10,000
Total revenues	<u>689,039</u>	<u>635,003</u>	<u>703,805</u>
TRANSFERS IN			
Transfers from other funds	-	199,572	457,295
Total funds available	<u>989,975</u>	<u>1,050,425</u>	<u>1,180,200</u>
EXPENDITURES			
Operations and maintenance			
Community activities	8,580	16,000	35,000
Contingency	-	-	35,000
Design review	13,634	10,000	12,000
Facilities management - contract	47,794	51,000	53,000
Facilities management - costs	5,722	20,000	25,000
Legal - collections	10,522	32,000	30,000
Security	-	28,325	24,000
Miscellaneous	15	50,000	5,000
Landscape maintenance			
Irrigation repairs and improvements	41,858	30,000	50,000
Landscape improvements	8,856	45,000	50,000
Landscape maintenance - contract	279,564	385,000	395,000
Tree and shrub maintenance	20,445	-	25,000
Grounds & park maintenance			
Grounds maintenance	15,725	15,000	25,000
Holiday lighting	12,035	25,000	25,000
Lighting	5,879	8,000	11,000
Playground inspection and repairs	4,516	4,000	11,000
Snow removal	11,763	15,000	35,000
Vandalism	650	-	-
Utilities			
Gas and electric	12,176	9,000	20,000
Trash removal	152,019	153,000	153,000
Water - irrigation	122,372	135,000	140,000
Total expenditures	<u>774,125</u>	<u>1,031,325</u>	<u>1,159,000</u>
Total expenditures and transfers out requiring appropriation	<u>774,125</u>	<u>1,031,325</u>	<u>1,159,000</u>
ENDING FUND BALANCE	<u>\$ 215,850</u>	<u>\$ 19,100</u>	<u>\$ 21,200</u>
EMERGENCY RESERVE	<u>\$ 20,700</u>	<u>\$ 19,100</u>	<u>\$ 21,200</u>
TOTAL RESERVE	<u>\$ 20,700</u>	<u>\$ 19,100</u>	<u>\$ 21,200</u>

No assurance provided. See summary of significant assumptions.

**BLACKSTONE METROPOLITAN DISTRICT
DEBT SERVICE FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/5/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 1,755,726	\$ 1,593,248	\$ 1,701,646
REVENUES			
Property taxes	1,502,871	1,537,130	1,395,778
Specific ownership taxes	102,417	97,700	83,747
Interest income	1,673	20,000	25,000
Total revenues	<u>1,606,961</u>	<u>1,654,830</u>	<u>1,504,525</u>
Total funds available	<u>3,362,687</u>	<u>3,248,078</u>	<u>3,206,171</u>
EXPENDITURES			
Debt Service			
Bond interest - Series 2017	1,114,925	1,102,925	1,086,125
Bond principal - Series 2017	300,000	420,000	450,000
County Treasurer's fee	22,564	23,057	20,937
Paying agent fees	450	450	450
Repay developer advance	331,500	-	-
Contingency	-	-	4,488
Total expenditures	<u>1,769,439</u>	<u>1,546,432</u>	<u>1,562,000</u>
Total expenditures and transfers out requiring appropriation	<u>1,769,439</u>	<u>1,546,432</u>	<u>1,562,000</u>
ENDING FUND BALANCE	<u>\$ 1,593,248</u>	<u>\$ 1,701,646</u>	<u>\$ 1,644,171</u>
SERIES 2017 SURPLUS FUND	<u>\$ 1,042,125</u>	<u>\$ 1,042,125</u>	<u>\$ 1,042,125</u>
TOTAL RESERVE	<u>\$ 1,042,125</u>	<u>\$ 1,042,125</u>	<u>\$ 1,042,125</u>

**BLACKSTONE METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/5/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ -	\$ 450,000	\$ 450,000
REVENUES			
Interest income	-	4,000	6,750
Total revenues	<u>-</u>	<u>4,000</u>	<u>6,750</u>
TRANSFERS IN			
Transfers from other funds	<u>850,229</u>	<u>290,500</u>	<u>1,808,250</u>
Total funds available	<u>850,229</u>	<u>744,500</u>	<u>2,265,000</u>
EXPENDITURES			
Capital Projects			
Reserve study	-	-	15,000
Legal	-	1,500	-
Entryways/Roundabouts	9,385	40,000	1,500,000
Lighting	19,504	35,000	-
Monumentation	12,090	-	-
Filing 3 improvements	-	30,000	-
Trees	359,250	188,000	300,000
Total expenditures	<u>400,229</u>	<u>294,500</u>	<u>1,815,000</u>
Total expenditures and transfers out requiring appropriation	<u>400,229</u>	<u>294,500</u>	<u>1,815,000</u>
ENDING FUND BALANCE	<u>\$ 450,000</u>	<u>\$ 450,000</u>	<u>\$ 450,000</u>
CAPITAL PROJECTS RESERVE	<u>\$ 450,000</u>	<u>\$ 450,000</u>	<u>\$ 450,000</u>
TOTAL RESERVE	<u>\$ 450,000</u>	<u>\$ 450,000</u>	<u>\$ 450,000</u>

**BLACKSTONE METROPOLITAN DISTRICT
CAPITAL PROJECTS - REGIONAL IMPROVEMENT FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/5/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
REVENUES			
Property taxes - Regional mill levy	47,792	51,843	52,713
Total revenues	<u>47,792</u>	<u>51,843</u>	<u>52,713</u>
Total funds available	<u>47,792</u>	<u>51,843</u>	<u>52,713</u>
EXPENDITURES			
Capital Projects			
County Treasurer fees - Regional mill levy	718	778	791
Regional mill levy - Payment to SARIA	47,074	51,065	51,922
Total expenditures	<u>47,792</u>	<u>51,843</u>	<u>52,713</u>
Total expenditures and transfers out requiring appropriation	<u>47,792</u>	<u>51,843</u>	<u>52,713</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**BLACKSTONE METROPOLITAN DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

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 Arapahoe County on November 27, 2002, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under a Second Amended and Restated Service Plan approved on July 26, 2010.

The District was established to provide sanitation, water, streets, traffic and safety controls, parks and recreation, and other related improvements for the benefit of the taxpayers and service users within the Districts' boundaries.

As of December 31, 2015, the District had remaining voted debt authorization of approximately \$1,981,510,000. The District has not budgeted to issue any new debt during 2023. Per the District's Service Plan, the District cannot issue debt in excess of \$100,000,000.

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 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 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.

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%.

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.

**BLACKSTONE METROPOLITAN DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (continued)

Aurora Regional Improvements Mill Levy

Pursuant to the Service Plan, which is dated August 6, 2004, the District is required to impose a 1.000 mill levy for payment of the planning, designing, permitting, construction, acquisition and financing of the regional improvements described in the ARI Master Plan. The ARI Master Plan is one or more master plans adopted by an ARI Authority establishing Regional Improvements which will benefit the taxpayers and service users of the districts which constitute such ARI Authority, which master plan will change from time to time. The District is a participant in the South Aurora Regional Improvement Authority. Revenues collected and held under the ARI mill levy will be held in a segregated account for the benefit of the Authority. The required mill levy after the twentieth year is 5.000.

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 6.0% of the property taxes collected.

Operations Fee

The District imposes a monthly operations fee on homeowners and vacant lot owners. The fee varies between the two types of owners based on applicable costs to operate the landscape and maintenance of the District property. The fees and associated expenditures are tracked in the Operations Fee fund.

Interest Income

Interest earned on the District's available funds has been estimated based on historical earnings.

Expenditures

General, Administrative, and Operations Expenditures

Administrative expenditures include the services necessary to maintain the District's administrative viability such as legal, accounting, audit, managerial, insurance, banking, meeting expense and other administrative expenses. Additionally, the operations expenditures to maintain District property are detailed in the Operations Fee fund.

County Treasurer's Fees

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

Capital Outlay

The District anticipates infrastructure improvements as displayed on page 6 of the Budget.

**BLACKSTONE METROPOLITAN DISTRICT
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Expenditures (continued)

Debt Service

Principal and interest payments are provided based on the debt amortization schedule from the Series 2017 General Obligation Refunding Bonds. The District's current debt service schedule is attached.

See related notes below under Debt and Leases.

Debt and Leases

On June 6, 2017 the District issued General Obligation Refunding Bonds Series 2017 in the amount of \$27,415,000. The proceeds from the sale of the 2017 Bonds were used to (i) refund the District's outstanding Limited Tax (Convertible to Unlimited Tax) General Obligation Bonds, Series 2005A, (ii) fund an initial deposit of \$1,000,000 to the Surplus Account, and (iii) pay certain costs of issuance of the Bonds.

The Series 2017 Bonds bear interest at rates ranging from 2.375% to 5.000%, payable semi-annually on June 1 and December 1, beginning on December 1, 2017. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2019. The Series 2017 Bonds mature on December 1, 2047. The Series 2017 Bonds are subject to optional and mandatory sinking fund redemption prior to maturity.

The Series 2017 Bonds are a general obligation of the District. The full faith and credit of the District are pledged for the payment of the principal of, premium, if any and interest on the Bonds. Without limiting the foregoing, the Pledged Revenue is pledged to the payment of the Bonds, on a parity with Parity Bonds, if any. "Pledged Revenue" is defined in the Bond Resolution to mean: (i) all amounts derived by the District from imposition of the Required Mill Levy and, to the extent not applied to the payment or refunding of the Series 2005A Bonds, the debt service mill levy imposed by the District in 2016 (less costs of collection and any tax refunds or abatements authorized by or on behalf of the County); and (ii) Specific Ownership Taxes. The Series 2017 Bonds are secured by amounts held by the District in the Surplus Account, if any. All of the Series 2017 Bonds shall be additionally secured by a Bond Insurance Policy issued by National Public Finance Guarantee Corp, rated A by Standard & Poor's.

The District has no operating or capital leases.

Reserves

Emergency Reserves

The District has provided an Emergency Reserve fund equal to at least 3% of fiscal year spending for 2023, as defined under TABOR.

This information is an integral part of the accompanying budget.

**BLACKSTONE METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

\$27,415,000

**General Obligation Refunding Bonds
Series 2017**

Dated June 6, 2017

**Rates ranging from 2.375% to 5.000%
Interest Payable June 1 and December 1
Principal Due December 1**

**Bonds and Interest
Maturing in the Year
Ending December 31,**

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 450,000	\$ 1,086,125	\$ 1,536,125
2024	500,000	1,068,125	1,568,125
2025	520,000	1,048,125	1,568,125
2026	565,000	1,035,775	1,600,775
2027	595,000	1,007,525	1,602,525
2028	655,000	977,775	1,632,775
2029	685,000	945,025	1,630,025
2030	755,000	910,775	1,665,775
2031	780,000	886,237	1,666,237
2032	835,000	860,888	1,695,888
2033	865,000	833,750	1,698,750
2034	940,000	790,500	1,730,500
2035	990,000	743,500	1,733,500
2036	1,070,000	694,000	1,764,000
2037	1,115,000	651,200	1,766,200
2038	1,195,000	606,600	1,801,600
2039	1,245,000	558,800	1,803,800
2040	1,330,000	509,000	1,839,000
2041	1,380,000	455,800	1,835,800
2042	1,475,000	400,600	1,875,600
2043	1,535,000	341,600	1,876,600
2044	1,630,000	280,200	1,910,200
2045	1,695,000	215,000	1,910,000
2046	1,805,000	147,200	1,952,200
2047	1,875,000	75,000	1,950,000
	<u>\$ 26,485,000</u>	<u>\$ 17,129,125</u>	<u>\$ 43,614,125</u>