

MERIDIAN VILLAGE METROPOLITAN DISTRICT NO. 2
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2025

**MERIDIAN VILLAGE METROPOLITAN DISTRICT NO. 2
SUMMARY
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31.**

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	4,459,863	4,494,148	4,599,550
Specific ownership taxes	413,583	391,278	413,965
Interest income	68,243	53,641	50,000
Other revenue	-	42,094	50,000
Total revenues	<u>4,941,689</u>	<u>4,981,161</u>	<u>5,113,515</u>
Total funds available	<u>4,941,689</u>	<u>4,981,161</u>	<u>5,113,515</u>
EXPENDITURES			
General Fund	1,095,079	1,165,708	1,268,400
Debt Service Fund	3,846,610	3,815,453	3,845,115
Total expenditures	<u>4,941,689</u>	<u>4,981,161</u>	<u>5,113,515</u>
Total expenditures and transfers out requiring appropriation	<u>4,941,689</u>	<u>4,981,161</u>	<u>5,113,515</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

MERIDIAN VILLAGE METROPOLITAN DISTRICT NO. 2
PROPERTY TAX SUMMARY INFORMATION
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31.

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
ASSESSED VALUATION			
Residential - Single Family	\$ 82,953,440	\$ 115,447,630	\$ 118,073,480
State assessed	16,800	16,900	18,300
Vacant land	2,050,630	34,950	4,310
Personal property	1,765,290	1,905,490	2,062,400
Other	80	80	80
Certified Assessed Value	\$ 86,786,240	\$ 117,405,050	\$ 120,158,570
MILL LEVY			
General	11.389	8.710	9.379
Debt Service	40.000	29.569	28.900
Total mill levy	51.389	38.279	38.279
PROPERTY TAXES			
General	\$ 988,408	\$ 1,022,598	\$ 1,126,967
Debt Service	3,471,450	3,471,550	3,472,583
Levied property taxes	4,459,858	4,494,148	4,599,550
Adjustments to actual/rounding	5	-	-
Budgeted property taxes	\$ 4,459,863	\$ 4,494,148	\$ 4,599,550
BUDGETED PROPERTY TAXES			
General	\$ 988,306	\$ 1,022,598	\$ 1,126,967
Debt Service	3,471,557	3,471,550	3,472,583
	\$ 4,459,863	\$ 4,494,148	\$ 4,599,550

**MERIDIAN VILLAGE METROPOLITAN DISTRICT NO. 2
GENERAL FUND
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31.**

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	988,306	1,022,598	1,126,967
Specific ownership taxes	91,650	89,016	101,433
Interest income	15,123	12,000	15,000
Other revenue	-	42,094	25,000
Total revenues	<u>1,095,079</u>	<u>1,165,708</u>	<u>1,268,400</u>
Total funds available	<u>1,095,079</u>	<u>1,165,708</u>	<u>1,268,400</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	14,831	15,551	16,905
Board support	3,000	2,200	2,000
Payroll taxes	230	168	150
Contingency	-	-	25,000
Transfers to Meridian Village MD No. 1	1,077,018	1,147,789	1,224,345
Total expenditures	<u>1,095,079</u>	<u>1,165,708</u>	<u>1,268,400</u>
Total expenditures and transfers out requiring appropriation	<u>1,095,079</u>	<u>1,165,708</u>	<u>1,268,400</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

MERIDIAN VILLAGE METROPOLITAN DISTRICT NO. 2
DEBT SERVICE FUND
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31.

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Property taxes	3,471,557	3,471,550	3,472,583
Specific ownership taxes	321,933	302,262	312,532
Interest income	53,120	41,641	35,000
Other revenue	-	-	25,000
Total revenues	<u>3,846,610</u>	<u>3,815,453</u>	<u>3,845,115</u>
Total funds available	<u>3,846,610</u>	<u>3,815,453</u>	<u>3,845,115</u>
EXPENDITURES			
General and administrative			
County Treasurer's fee	52,095	52,821	52,092
Transfers to Meridian Village MD No. 1	3,794,515	3,762,632	3,793,023
Total expenditures	<u>3,846,610</u>	<u>3,815,453</u>	<u>3,845,115</u>
Total expenditures and transfers out requiring appropriation	<u>3,846,610</u>	<u>3,815,453</u>	<u>3,845,115</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**MERIDIAN VILLAGE METROPOLITAN DISTRICT NO. 2
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Meridian Village Metropolitan District No. 2 is a quasi-municipal corporation and political subdivision of the State of Colorado organized by order of the Douglas County Court on November 20, 2004. The District's service area is located in Douglas County, Colorado. The District was organized to provide storm sewer improvements, street improvements, park and recreational facilities and safety protection services.

The District was formed in conjunction with Meridian Village Metropolitan District Nos. 1, 3 and 4. District No. 1 will serve as the "Service District" with the responsibility of managing the construction and operation of facilities and improvements needed for the public improvements. District Nos. 2, 3 and 4 serve as the "Financing Districts" with the responsibility of providing the funding and tax base needed to support the capital improvements and operations.

The District has no employees and contracts for all of its management and professional services.

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 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 Information page of the budget using the adopted mill levy imposed by the District.

For property tax collection year 2025, SB22-238, SB23B-001, SB24-233 and HB24B-1001 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 9.00% of the property taxes collected by the District.

**MERIDIAN VILLAGE METROPOLITAN DISTRICT NO. 2
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (continued)

Net Investment Income

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

Expenditures

Administrative and Operating

The District has entered into an Intergovernmental Financing Agreement with Meridian Village Metropolitan District No.1 where District No.1 will operate and maintain the District in exchange for the Districts net legally available revenue.

Debt Service

The District has entered into an Intergovernmental Financing Agreement with Meridian Village Metropolitan District No.1 where District No.1 will finance the Districts improvements in exchange for the Districts net legally available revenue.

Debt and Leases

The District has no debt and no operating or capital leases.

Reserves

Emergency Reserves

District No. 1 has provided for an Emergency Reserve fund equal to at least 3.00% of fiscal year spending for District Nos. 2, 3, and 4 for 2025, as defined under TABOR.

Additional Information

Per the Service Plan the debt service mill levy is capped at 50.000 mills until the District's assessed valuation reaches a value equal to twice the aggregate amount of outstanding debt, in which case there is no mill levy cap. The operations mill levy is capped at 10.000 mills. However, both mill levies are subject to adjustments for Gallagher, so if the valuation calculation for residential property decreases from its current level of 6.70% of actual value the mill levy will be adjusted accordingly.

Per the Funding Agreement, Meridian Village Metropolitan District No. 1 issues revenue bonds and Meridian Village Metropolitan District No. 2 has agreed to levy taxes to the maximum rate of 50.000 mills, adjusted for Gallagher but never to exceed a hard cap of 50.000 mills, and pay the revenue over to District No. 1 for debt service.

In a separate O&M Funding Agreement, District No. 2 agrees to levy taxes up to 10.000 mills, adjusted for Gallagher but never to exceed 50.000 mills. In addition, if District No. 2 has to levy more than 50.000 mills for payment of District No. 1's debt service, District No. 2's contractual obligation to go higher than 10.000 is reduced proportionately. Subject to the service plan mill levy caps described above, the two Districts may decide that the District No. 2 aggregate mill levy will exceed 50.000 mills. District No. 2 is just not required to exceed 50.000 mills.

This information is an integral part of the accompanying budget.